

WHAT WOMEN WANT REPORT

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RECORD OF PROCEEDINGS



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**A Workshop on the Effect of the Federal Government's Recent Policy
Changes on Women of Working Age**

**Tuesday 12 July 2005
Pilgrim House Conference Centre, 69 Northbourne Ave, Canberra**

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SPONSORS

The National Foundation for Australian Women on behalf of the WomenSpeak Network,
The Australian Women's Coalition and Security for Women (S4W)

The opinions, findings and proposals in this report represent the views of the authors.

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ORGANISATIONS REPRESENTED THROUGH PARTICIPATING NATIONAL SECRETARIATS

AUSTRALIAN WOMEN'S COALITION

- Aboriginal Legal Rights Movement Inc
- Australian Church Women
- Australian Federation of Medical Women
- Catholic Women's League Australia
- Conflict Resolving Women's Network Australia Inc
- Council on the Ageing
- Guides Australia
- Muslim Women's National Network of Australia
- National Council of Jewish Women of Australia
- National Council of Women of Australia
- Pan Pacific and South East Asia Women's Association of Australia Inc
- Salvation Army (Women)
- Soroptimist International
- United Nations Development Fund for Women
- Zonta International

SECURITY 4 WOMEN

- Association of Women Educators (AWE)
- Australian Federation of University Women (AFUW)
- Business and Professional Women Australia (BPWA)
- Certified Practising Accountants (Women's Network)
- National Association of Women in Construction (NAWIC)
- National Foundation for Australian Women (NFAW)
- The Association of Professional Engineers, Scientists and Managers Australia (APESMA)
- VIEW Clubs Australia (Voice, Interests and Education for Women)
- Women in Adult and Vocational Education (WAVE)
- Women in Mortgage Broking Network (WIMBN)
- Women With Disabilities Australia (WWDA)

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WOMENSPEAK

- Aboriginal Legal Rights Movement of South Australia
- Amnesty International Australia's National Women's Rights Team
- Australasian Council of Women and Policing
- Australian Baha'í Community Office of Equality
- Australian Council For International Development Gender Equity Working Group
- Australian Federation of Medical Women
- Australian Federation of University Women
- Australian Reproductive Health Alliance
- Australian Women's Health Network
- Body Image and Eating Disorders Network of South Australia
- Catholic Women's League Australia
- Children by Choice
- Guides Australia
- International Women's Development Agency
- Migrant Women's Lobby Group of South Australia
- Multicultural Women's Advocacy ACT
- National Association of Services Against Sexual Violence
- National Council of Churches in Australia Gender Commission
- National Council of Single Mothers and Their Children
- National Foundation for Australian Women
- National Liaison Committee for International Students in Australia Women's Department
- National Union of Students Women's Department
- Project Respect
- Public Health Association of Australia Women's Special Interest Group
- Soroptimist International
- UNIFEM
- Union of Australian Women
- United National Association of Australia Status of Women Network
- Victorian Immigrant and Refugee Women's Coalition
- Women with Disabilities Australia
- Women's Economic Think Tank (WETTANK)

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- Women's Electoral Lobby
- Women's International League for Peace and Freedom
- Working Against Sexual Harassment
- YWCA Australia

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WHAT WOMEN WANT AN INVITATION TO MAKE A RESPONSE

Marie Coleman

This first report on the What Women Want project invites individuals and organisations to make a response to the organisers on the issues raised at our workshop, and as well to engage in the public policy debate. A wide range of organisations have endorsed this report, including the Australian Federation of Medical Women, Soroptimist International, Catholic Women's League Australia Inc, the Salvation Army, the National Council of Women of Australia Inc, Zonta International Districts 24 and 23, Pan Pacific and South Pacific Asia Women's Association of Australia Ltd, the National Council of Jewish Women, the Muslim Women's National Network of Australia Inc, and Conflict Resolving Women's Network Australia Inc.

We took as our starting point that in the first decade of the 21st century, an Australian woman wants at a minimum a room of her own, as Virginia Woolfe argued more than a hundred years past, even though we are once again in the grip of an affordable housing crisis.

The Australian woman in 2005 wants a fair day's pay for a fair day's work, as the late Edna Ryan argued, and as well to look forward to a living standard in retirement of reasonable dignity.

Most women combine family responsibilities with paid work. Only 4% of young Australian women aspire to be full-time at home with family in mid-life. Australian research into the aspirations of young Australian women has demonstrated that, by the age of 35, 98% want to be in a relationship, 96% want paid employment, and 91% want children.

Public policy frameworks set the scene for the Australian woman to meet these wants, whether she is married, single, supporting children, living with a disability, from a migrant or refugee background, an indigenous Australian, a country or a city dweller.

The Commonwealth Budget of 2005 saw some very important changes in the policy frameworks affecting women of working age.

The entire range of income support programs to which women of working age might turn for assistance has been transferred from the Department of Family Service (FaCS) to the Department of Employment and Workplace Relations (DEWR). The underpinning philosophy is encapsulated in the rubric 'welfare to work'. The objective is to encourage (by means of both incentives and disincentives) a move into paid employment wherever possible. These changes are set out at

www.dewr.gov.au/publications/budget/2005/factSheets/factsheets.asp

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As well, the Commonwealth Government has announced very significant changes to the industrial relations framework, including the proposed restriction of the Australian Industrial Relations Commission, a move to the preferring of individual workplace agreements, and a forecast take-over through the corporations power in the Commonwealth Constitution, of the States' own industrial relations frameworks.
www.workplace.gov.au/workplace/Category/PolicyReviews/WorkplaceRelationsReforms/

Without pre-judgement of the policy changes, the National Foundation for Australian Women, in collaboration with a strong alliance of national women's organisations, has decided to follow them up.

NFAW is part of a joint project of three of the secretariats for national women's organisations which are funded through the Commonwealth Office for Women, viz., the Australian Women's Coalition (AWC), Security for Women (S4W), and the WomenSpeak Network. Their URLs are below to assist background enquiries.

The project seeks to examine the potential impact on women of working age, and in particular on low income women, of the Budget 2005 changes to income security payments ('welfare to work'), the proposed changes to the industrial relations framework, and the likely interaction of the two sets of policy changes.

A set of factual background papers has been posted to www.nfaw.org.

This workshop report is made available as an information document for women's organisations, and will be used as a basis for future input to the Commonwealth policy development process. In particular, we are now pursuing with Commonwealth agencies the need for impact modelling.

Subsequent phases will involve submissions to the HREOC inquiry into work-family balance. http://www.hreoc.gov.au/sex_discrimination/strikingbalance/background.html

The three project partners will continue to monitor the evolving situation for women. Let us know what you think on these important issues.

<http://www.ywca.org.au/WOMENSPEAK.HTM>

<http://www.security4women.com/>

http://ofw.facs.gov.au/networks/national_secretariats/awc.htm

**WORKSHOP PROCEEDINGS
AND
PAPERS**

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Welcome to the Workshop

Marie Coleman, Workshop Convenor, welcomed participants and government officers. She introduced this session as the first activity in a non-partisan project to consider the impact on women of current policy change proposals by the Australian Government. Project aims include to advise women across the community of proposed changes and to reflect their views back to government and to monitor the impact of government policy on women.

Presentation of Papers

Robin Stewart-Crompton commented that the proposed changes were potentially the most significant changes in industrial relations practice for over a century with impacts in workplaces across the country. He outlined the changes that had been announced, the elements that remained obscure and challenged the workshop to advocate for policy improvements.

Rille Walshe outlined the impact of changes to parent payments on single parents, in particular on women, on children and the community. She suggested that these changes, when combined with changes such as child support and the Family Court, would produce a substantially different environment for single parents in the future.

Norelle Woolley presented Sue Salthouse's paper on women with disabilities and the impact upon them of welfare and industrial relations changes. She encouraged this workshop to assist the Government to put in place strategies to assist women with disabilities to achieve greater rates of participation in the workforce.

The session broke into working groups to discuss the Australian Government Industrial Relations and Income Support policies, discussion then continued in a whole of group forum.

Industrial Relations Changes

Participants expressed their concern with the proposed industrial relations changes and their potential impact upon women across the community and in particular on women with family responsibilities, Aboriginal women, women with disabilities, women from non-English speaking backgrounds and women who were in a vulnerable bargaining position in the workforce.

Key areas of concern with the industrial relations proposals included:

- That the proposals could provide women with lesser income security, lesser work stability and career opportunity.

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- That women could be disproportionately affected by the proposals due to their reliance on award rates of pay, penalty rates and other award-based conditions.
- That women could be disproportionately affected by the proposals due to their lack of bargaining power, bargaining confidence and information about workforce rights and terms and conditions.
- That this lack of bargaining power and the proposed loss of mechanisms to address equal pay, loss of mechanisms to provide for across-the-board improvements in conditions through 'test cases' and the changed arrangements for determining minimum rates could translate into lesser wages and conditions for women.
- That the proposals could lead to an increased casualisation of the workforce, including a concern that part-time work in the future could more closely resemble casual work.
- That the proposed changes to the unfair dismissal laws could negatively affect women and that less secure employees are less able to bargain.
- That the proposed changes might not assist women seeking flexible arrangements or arrangements to meet special needs such as family friendly work arrangements.
- That the proposed arrangement could reduce women's economic independence and retirement outcomes.
- That the proposed changes could exacerbate the pay differentials between men and women for work of equal value.

A commitment from the Australian Government was sought that no employee be disadvantaged by the proposed changes.

Overseas information was sought to identify policy ideas and proposals that might assist women.

Additional data and consultation were sought on the Government proposals, together with commitments to apply family impact tests and ongoing measurement of impact on women.

Income Support Changes

Participants also expressed their concern with the announced income support changes and their impact on women across the community, and in particular on women with family responsibilities, Aboriginal women, women with disabilities, women from non-English speaking backgrounds, women in regional and rural Australia and disadvantaged women.

Key areas of concern with the proposed income support changes included:

- That the Newstart allowance and the effective tax rates, plus costs to attend work mean that women will be worse off under the proposal.
- That existing mechanisms that support people into work will not cope with additional demand, will need to be improved and be more accessible to women.

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This may require integration of health, welfare and other services, for example to support women with fluctuating illness/disability needs.

- That Newstart and the associated support services would need to be completely redesigned to be more responsive.
- That the penalties and suspension of Newstart will have significant impact on the disadvantaged, such as increased levels of homelessness.
- That work and welfare policy must include consideration of ability to work, people with multiple types of disadvantage and the impact upon them, such as the reality of a casual employee ringing in to advise that she is unable to attend work.
- That disadvantaged women would end up in and out of marginal employment and cycling roles.
- That other policy areas need to be integrated with proposals such as housing and education.
- That the eligibility benefit age of six years for a child, and the impact on families with multiple children be revisited.
- That the proposal would lead to a disincentive for sole parents to undertake study, in particular longer term courses and tertiary education.
- That existing pension recipients would be consigned to part-time work forever.

The modelling of the financial impact of the proposals upon individuals was sought, including on those with dependent children and those with disabilities.

It was also considered important to identify an agreed points system to measure capacity to enter the paid workforce, especially for those with multiple responsibilities/disabilities.

Policy Interaction

It was noted that the announced policies would interact and create significant impact on disadvantaged women who could no longer choose not to participate in the workforce.

Instead these women would be forced to compete for low-income part-time roles from a position of very poor bargaining power.

This was considered unreasonable as it would provide no benefit to these women but would potentially expose them and their families to greater hardship.

Proposed Steps Forward

The outcomes of the meeting are to be circulated throughout participating women's organisations for adoption, leading to consultation with government.

It was also considered important to provide information more widely to interested women's organisations. Further, local meetings would be pursued.

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Credible case studies of the impact of these policy proposals upon women would be produced, together with fact sheets.

Provision of information to the media should also be considered.

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WELCOME TO THE WORKSHOP

Marie Coleman

Welcome today, on behalf of our consortium of women's organisations, to the first step of our important project—monitoring and examining the impacts on women of recent and proposed changes in public policy.

We should begin by recognising the traditional owners of this land.

I regret that our background papers could not, given the pressure of time and limited availability of data, examine in particular the concerns of indigenous women. Over time, we will remedy that.

I particularly want to welcome colleagues from several of the Commonwealth agencies which are developing and implementing those changes. It is important that we have not just this occasion, but also many future opportunities to share ideas, knowledge and concerns.

It is important for our colleagues in government that they understand who we women are, and why we have adopted this project. The issues are important and will have significant impacts on women. Our approach is entirely non-partisan, and not aligned with particular political blocks.

I cannot tell you just how many women's organisations exist in Australia. There are organisations which are entirely local, which may be centred around a sporting club, a local rural fire-brigade, a book-reading club, a child-care centre, or a hospital auxiliary. Some have a wider scope. Some but not all are affiliated with larger State-based, or nationally federated organisations.

However, I can tell you that there are more than 60 national women's organisations affiliated to the consortium which is the sponsor of the What Women Want project.

I can tell that our best guesstimate is that nationally there could be several million women who are affiliated with one or more of these organisations, at a local, State and national level—that is some 35% of the women in Australia have links to these organisations, according to the Office for Women. A list of the organisations is included with these papers.

I can assure you that they include women of all faiths, of all ages, of all political persuasions and of a wide range of ethnicities. There are business women, professional women, factory workers, shop-assistants, married women and single women. There are mothers, grandmothers, sisters and daughters. There are country women, there are city women.

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What we all share is a strong interest and concern to ensure that our colleagues, our friends, our work-mates, and our daughters continue to have the opportunities we have enjoyed, or which we had wanted to have, and that those of our sisters who are the most vulnerable are not adversely affected by policy changes.

We know that there are women with disabilities who have poor self-image, who may have intellectual or psychiatric disabilities—all characteristics which will make difficult their chances of negotiating, without assistance and support, fair individual Work Place Agreements.

We know that the range of women on Supporting Parent Benefits will include women with two or more children, perhaps one with a disability so severe it led to marriage breakdown, and we know that the woman in this situation will find it hard, despite her best efforts, to return to full-time employment, or to negotiate AWAs which will give flexibility to handle the crises of rearing a child with a disability.

We welcome the news that now, in the middle of 2005, employment is rising. We don't yet know that these job opportunities are shared equitably across all geographic areas, or across all skills bases.

We need to ensure that we understand the base line from which the changes are being made, that we have the systems in place to monitor the effects of the changes, that we have confidence that the policy process has been based on the concept of fairness, and that we have the capacity to make representations to Government if we feel that unfair or unintended adverse consequences are occurring.

We need to be able to identify these issues promptly so as to minimise human suffering.

We feel confident this is an objective shared by all political leaders.

These are our rights as well as our responsibilities as women, as members of organisations representing and supporting women.

This is why we want to be able to have some modelling of possible impacts on particular categories of women done for NFAW by NATSEM at the University of Canberra.

This is why we begin today the on-going project by establishing an accurate understanding of what is currently proposed, and what we think are the issues on which our constituencies need to be informed. All inputs are welcomed.

PROPOSED LEGISLATIVE CHANGES TO THE AUSTRALIAN SYSTEM OF INDUSTRIAL RELATIONS

Robin Stewart-Crompton

This paper is a survey of current knowledge about the Howard Government's proposed legislative changes to the Australian system of industrial relations.

The existing arrangements are briefly described. The paper notes that only a broad description of the changes has so far been given by the Government, so it is difficult to assess their full effects or how they will operate.

It is noted that the proposed new system would, as far as possible, replace the existing State industrial relations systems to provide a single national system, but that this is opposed by those States.

The paper does not seek to comment on the changes, but briefly refers to some of the consequences of the changes as seen by various employer bodies that support them and the union movement, which opposes them.

A variety of legal and practical issues are identified, but no final views could be reached about them without more detail about the proposed arrangements. It is also noted that the consultation processes over the changes have yet to be clarified.

The Evolution of the Current System

The regulation of Australian industrial relations has been subject to periodic shifts over the past century. This reflects the complex interaction of the Federal and State industrial laws and systems and the ongoing development over the years of a wide range of legislative regimes that, in one way or another, affect working arrangements (e.g., statutory provision for long-service leave, superannuation, apprenticeships, parental leave, anti-discrimination laws).

Until the 1990s, the hallmarks of Australian industrial relations were the dominant role of the Federal and State industrial tribunals, industrial legislation which entrenched collective bargaining through the award system and the representative rights of registered trade unions and employer associations.

In the 1990s, at Federal and State levels, there was a legislative move towards agreement making at the enterprise level, with the industrial tribunals having a smaller, essentially supervisory role, or no role at all, in that area. Even so, industrial awards remained the dominant source of enforceable rights and obligations.

At the Federal level, the Keating Government further refined the arrangements for certified agreements under the Federal *Industrial Relations Act 1986* (the IR Act). These agreements, which provided for the terms and conditions of employees of a particular

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employer or group of employers, had certain key features. Although they displaced any awards to the extent of any inconsistency, they had to be underpinned by a Federal award. In addition, a federally registered union had to be a party, and the proposed agreement had to be supported by a majority of the persons whose terms and conditions of employment would be covered. In broad terms, the role of the Australian Industrial Relations Commission (AIRC) was to ensure that the agreement had been fairly negotiated, that it was not discriminatory and that employees were not disadvantaged by comparison with the underpinning award.

At the same time, non-union collective agreements were permitted under the IR Act for the first time. So called 'enterprise flexibility agreements' could be made between an employer and employees of that employer without a union being a party, although provision was made for a union to become involved in the negotiations and to become a party. Again, the AIRC had to be satisfied about the process, that the no disadvantage test was satisfied and that there were no discriminatory provisions.

Around this time, some State governments (WA, Victoria) had introduced under their State industrial legislation the new concept of agreements between individual employers and individual employees that excluded State awards and overrode State collective agreements. For constitutional reasons, they could not exclude the operation of the Federal IR Act, nor access to awards and agreements under that Act. Several hundred thousand employees in Victoria were brought under the Federal IR Act by their unions in response to the introduction of new IR arrangements in that State by the then Kennett Government.

To facilitate collective bargaining in line with internationally recognised standards, provision was made for protected industrial action (i.e., strikes, bans, lockouts) in pursuit of agreements that were intended to be certified under the IR Act. This meant that legal action could not be taken against those lawfully participating in the industrial action. The exemptions from liability under the *Trade Practices Act* for secondary boycotts were also widened. In addition, even where the prohibition against secondary boycotts applied, action could not be taken against the relevant parties in a case where employment conditions were involved until the AIRC had attempted to resolve the matter. Similarly, other common law action could not be taken in relation to industrial matters until a prescribed period had elapsed, which was again designed to give the AIRC a chance to resolve the matter.

The Federal IR Act also introduced unfair dismissal laws, in response to their repeal in Victoria and the possibility that similar action to repeal such laws might be taken in other States. Those provisions, which were frequently amended over the following years, were based on the International Labour Organisation's Termination of Employment Convention. Further initiatives included provision for parental leave and a requirement that the AIRC take account of the ILO's Workers with Family Responsibilities Convention.

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The change of government in 1996 saw the advent of the *Workplace Relations Act 1996* (the WR Act), which was a renamed and substantially amended IR Act. A key principle of the new legislation was to reduce the role of 'third parties' in industrial matters, including the AIRC and unions, so that employers and workers at the workplace took greater responsibility for agreeing directly on work arrangements and employment conditions.

The first Howard Government did not have a majority in the Senate, which, following negotiations with the Australian Democrats, led to a number of changes to its legislation as introduced. Among other things, the legislative package introduced Australian Workplace Agreements (individual agreements between an employer and an employee) with a no disadvantage test and various procedural safeguards. Further weight was given in the statutory scheme to collective agreements, building on the earlier initiatives of the previous government, although provision was made for easier access to non-union collective agreements. The AIRC was given new powers to order the cessation of non-protected industrial action, the previous secondary boycott prohibitions were re-introduced, and the content of awards was limited to twenty 'allowable matters', with a 'simplification' process provided for their orderly remaking. The AIRC was required to cease dealing with industrial disputes where there was already a State award or agreement, unless satisfied that it was not against the public interest to continue to deal with the dispute. Anti-discrimination provisions remained in the Act, but more restrictions were placed on access to the unfair dismissal provisions.

Restrictions were placed on union rights of entry and preference to unionists over non-unionists was prohibited (preference had previously been permitted under awards in certain circumstances).

In 1996, the Kennett Government in Victoria referred, in line with the Australian Constitution, most of its powers over industrial relations to the Commonwealth, so that the Howard Government was able to provide for the WR Act to cover virtually all employees in Victoria.

During this period, Labor governments came to hold office in all States and Territories. The Bracks Government has not sought to withdraw Victoria's referral of power over industrial relations (and apparently does not intend to do so). The other State Labor governments have maintained (or restored) more traditional IR systems. In comparison with the WR Act, the State legislation has imposed few restrictions on the jurisdiction of the State industrial tribunals and places greater reliance on the award system.

What is Expected to Change?

According to public statements and comments by the Federal Government, substantial changes are proposed. Briefly, it has been announced that the Howard Government will:

- a) introduce a 'national system of workplace relations', i.e., exclude the operation as far as constitutionally possible of the existing State IR systems, relying on the constitutional corporations power;

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- b) replace the wage setting role of the Australian Industrial Relations Commission (AIRC) by an Australian Fair Pay Commission with power to set and adjust minimum and award classification wages (which are intended to operate as a genuine safety net for agreement making);
- c) provide for decisions of the Fair Pay Commission to be guided by parameters set in legislation;
- d) review and ‘update’ the classification structure under Federal and State awards (it is estimated that there are almost 40 000 different wage classifications across those awards) to ‘ensure the award classification structure remains relevant to the needs of modern workplaces, is less cumbersome and recognises the different skill sets of employees’;
- e) provide statutory minimum conditions for annual leave, personal/carer’s leave, parental leave (including maternity leave) and maximum ordinary hours of work;
- f) introduce the Australian Fair Pay and Conditions Standard (consisting of the minimum conditions of employment which will be set in legislation and the minimum and award classification wages set by the Australian Fair Pay Commission) as a benchmark for agreement making;
- g) make it unlawful to employ someone for less than the Fair Pay and Conditions Standard;
- h) ‘simplify’ the agreement making process at the workplace, by replacing the current ‘no disadvantage’ test by reference to the Fair Pay and Conditions Standard and all agreements, both collective and individual, will be lodged with the Office of the Employment Advocate (at present, proposed certified collective agreements are examined by the AIRC against various prescribed tests and AWAs are examined by the OEA, but it appears that the process is likely to involve less scrutiny, particularly by the OEA);
- i) provide ‘modern award protection’ for those not covered by agreements, with the present twenty ‘allowable’ matters that may be included in awards reduced by preventing award provision for jury service, notice of termination, long-service leave and superannuation, all of which are already provided for under Federal and State legislation (it is not clear what happens to award provision for remuneration, given the replacement of the AIRC by the Australian Fair Pay Commission in relation to minimum pay and classification rates);
- j) allow award wages to be adjusted (such wages are not to be ‘frozen’ and or to ‘go backwards’); the Fair Pay Commission will periodically adjust the minimum and award classification wages to provide ‘reasonable and sustainable

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increases to meet changes in the cost of living' (it is not clear what will happen to allowances, overtime rates or penalty rates in awards);

- k) ensure an ongoing role for the AIRC, in some capacity, focused on the resolution of disputes (there appears to be no reference to the AIRC's long-standing role in *preventing* disputes);
- l) enact a single national system of unfair dismissal laws, exempting businesses with up to 100 employees and extending the qualifying period of employment before an employee may have access to the system (where the employer has 100 or more employees) from three months to six months;
- m) maintain protection against *unlawful* dismissal (i.e., on the discriminatory grounds set out in the Act) (1)
- n) introduce legislation to exclude independent contractors from industrial regulation;
- o) 'ensure the rule of law is restored to the building and construction industry' by special, more prescriptive industrial regulation;
- p) exempt small business from making redundancy payments, reversing a recent decision by a Full Bench of the AIRC to that effect;
- q) establish the Australian Safety and Compensation Council to oversee implementation of national occupational health and safety standards and pursue a national approach to workers' compensation throughout Australia (this will replace the National Occupational Health and Safety Commission);
- r) remove 'industrial barriers' to the take up of school-based new apprenticeships and part-time new apprenticeships; and
- s) introduce 'all the stalled legislative measures' into the Parliament, as amended to reflect current Government policy, to provide, amongst other things, stronger laws in relation to industrial action, secret ballots before industrial action and new rules for right of entry by union officials to workplaces and to prohibit pattern bargaining, i.e., where demands are made for all employers in an industry or a part of an industry to provide the same terms and conditions of employment for their employees.(2)

The Government has also stated that the reforms:

- a) will retain collective union and non-union agreements; ensure a stronger inspection service; and

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- b) will not remove the right to join a union, take away the right to strike (in pursuit of an agreement), or outlaw union agreements. (3)

What are the Projected Consequences?

Various commentaries for and against the changes have been published. It might be noted that the Government has yet to provide full details of the changes and how they will operate (the amending bills are proposed to be introduced into the Parliament in September 2005), so the discussion is broadly at the level of principle.

The supporters of the proposals broadly state that the proposed reforms will improve productivity, increase employment and reduce the complexity and cost of the system. These types of comments have been made by a range of groups representing employers' interests, including Australian Business Limited (ABL), Business Council of Australia (BCA), Australian Chamber of Commerce and Industry (ACCI), Australian Industry Group (AiG), National Farmers Federation (NFF), Master Builders of Australia (MBA), Australian Mines and Metals Association (AMMA), NSW Chamber of Commerce, Queensland's Chamber of Commerce and Industry and Council of Small Business Organisations of Australia (COSBOA).(4)

The union movement, through the ACTU, has expressed strong opposition. Its concerns include that it sees (5) the changes as resulting in (among other things):

- a) a wage freeze for 1.6 million award workers, because the changes to the way minimum wages are set would mean that low paid workers would not receive a pay rise for at least the next 18 months;
- b) the removal of protection from unfair dismissal for 3.6 million workers, particularly affecting workers in rural and regional communities;
- c) employers being able to 'push workers onto individual contracts that cut take-home pay and reduce employment conditions to only 5 minimum standards';
- d) the effective abolition of the State industrial relations systems;
- e) the abolition of the award safety net, which would be replaced by five conditions—a minimum hourly rate of pay (currently \$12.75), sick leave, annual leave, unpaid parental leave and a 38 hour working week;
- f) the loss for many workers of such conditions as weekend, shift and public holiday rates; overtime; redundancy pay; and allowances and loadings.(6)

What are the Significant Legal and Practical Issues?

The proposed changes represent a massive change in the regulatory framework for industrial relations. The establishment of a single national system was not envisaged by

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the founders of the Australian federation, although provision was made for the referral by the States of legislative power to the Commonwealth parliament. Industrial relations powers were to be shared between the Commonwealth and the States, with the Commonwealth only responsible for laws for conciliation and arbitration for the prevention and settlement of interstate industrial disputes, as well as for industrial matters in the Territories and involving its own employees. Under the constitutional scheme of federation, the States retained their powers over all other industrial matters within their boundaries.

Minister Andrews has indicated that the Howard Government would prefer to proceed by agreement with the States and by the referral, as provided for by the Constitution, by the States of their powers over industrial relations. Victoria has already referred its powers (see above) and, as noted, the Bracks Government does not at this point intend to withdraw the referral. The other States have indicated that they will not refer their powers and will oppose the proposed changes. In the absence of such a referral of powers, the Howard Government will rely on the corporations power as the foundation for a new workplace relations system.(7)

The use of the corporations power for industrial relations purposes is a relatively recent development, and its use for the review of unfair contracts and for collective agreements under Federal industrial relations legislation was upheld by the High Court of Australia in 1995 and 1996.(8) It is generally conceded that it would be available for the purposes proposed by the Howard Government. Even so, the system would not be available in relation to employment relationships where the employer was not a constitutional corporation (e.g., an unincorporated sole trader, a partnership, a charity) or in relation to certain limited classes of State employees.(9)

Examples of issues that are unclear at this stage are:

- a) when will the new system take effect (this may be significant for constitutional reasons) and what happens in the meantime?
- b) what transitional arrangements will apply to the proposed move from the current Federal and State award systems to the new combination of wage determination and award systems, particularly for part heard award matters?
- c) what will happen to the thousands of Federal and State awards and, if they are to be abolished or only past rights under those awards are preserved up to the commencement of the new legislation, what are the commercial consequences for contracts that include price adjustments based on award variations (e.g., in the construction industry)?
- d) who will decide whether particular award provisions continue to operate if there is any uncertainty about their nature (i.e., whether they are in the non-allowable category)?

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- e) how will matters that have been the subject of test cases be reviewed in future and will there be any new test cases?
- f) how will the Fair Pay Commission determine a minimum wage and any other rates (and how will it deal with rates for workers with disabilities), who will have standing to make submissions to it and what will its procedures be?
- g) what will happen to part heard unfair dismissal claims, at Federal or State levels?
- h) who will be responsible for determining past compliance with State awards and for action for past breaches of State awards?
- i) which tribunals will be responsible for dealing with disputes under State awards and agreements?
- j) will State tribunals have any continuing role, including in relation to the review of unfair contracts?
- k) will the AIRC be able to deal with deadlocked bargaining for collective agreements?
- l) will bringing large areas of State IR jurisdiction into the Federal sphere result in demarcation disputes between federally registered and State registered unions, as well as between federally registered and State registered employer associations, and, if so, how are they to be resolved?

Consultation

The Department of Employment and Workplace Relations *Fact Sheets* (10) indicate that ‘the Howard Government will move at once to develop the legislation necessary to put in place the framework for a new workplace relations system. As part of that process the Minister for Employment and Workplace Relations will consult on the detail of the legislation.’ It is not clear what process will be followed for consultation beyond the conventional processes (e.g., tripartite consultation with the Workplace Relations Consultative Council).

Notes

(1) Section 170CK of the WR Act sets out unlawful grounds for dismissal. Remedies of reinstatement or compensation or both are available from the Federal Court of Australia. The grounds are: race, colour, sex, sexual preference, age, physical or mental disability, marital status, family responsibilities, pregnancy, religion, political opinion, national extraction or social origin; temporary absence from work because of illness or injury; trade union membership or participation in trade union activities outside working hours or, with the employer's consent, during working hours; non-membership of a trade union; seeking office as, or acting or having acted in the capacity of, a representative of employees; the filing of a complaint, or the participation in proceedings, against an employer for acting unlawfully; refusing to negotiate in connection with, make, sign, extend, vary or terminate an AWA; absence from work during maternity leave or other

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parental leave; temporary, reasonable absence from work because of the carrying out of a voluntary emergency management.

(2) *The New Workplace Relations System - What it means*, Fact Sheets, Department of Employment and Workplace Relations, May 2005, available at

<http://www.workplace.gov.au/workplace/Category/PolicyReviews/WorkplaceRelationsReforms/Buildingabetterworkplace-factsheets.htm>

(3) Ibid.

(4) The Hon Kevin Andrews, MP, media release 16205, 3 June 2005.

(5) As stated in various ACTU publications and statements (see <http://www.actu.asn.au/>).

(6) ACTU, media release, *Unions launch national week of action to protest govt's new workplace laws*, 27 June 2005. On 6 July 2005, the ACTU's Secretary, Mr Greg Combet, in an address to the National Press Club expressed the ACTU's view that the changes would abolish the 'no disadvantage test' and replace it with just five minimum conditions, namely, minimum wages starting at \$12.75 per hour, annual leave (two weeks of which would be able to be 'cashed out'), sick leave, hours of work, and unpaid parental leave. The ACTU considered that, under the proposed legislation, these were the only minimum standards that would underpin workplace bargaining and 'a host of other award standards' would be able to be removed from employees without compensation.

(7) The Hon Kevin Andrews, MP, *Building Better Workplaces*, address to the National Press Club, Canberra, 31 May 2005.

(8) *Re Dingjan; ex parte Wagner* (1995) 183 CLR 323; *Victoria v Commonwealth* (1996) 187 CLR 416

(9) *Re Australian Education Union; ex parte Victoria* (1995) 184 CLR 188.

(10) Op cit.

JUMPING THROUGH HOOPS

WELFARE AND INDUSTRIAL RELATIONS REFORM IMPLICATIONS FOR WOMEN WITH DISABILITIES

Women With Disabilities Australia (WWDA)

Workshop Presentation

- Women With Disabilities Australia (Widda = WWDA) acknowledges the Ngunnawal people on whose land we stand today, and wishes to be open to the wisdom that the current custodians of the land can pass on to us.
- The WWDA paper is deliberately titled, because women with disabilities have an underlying fear that the current industrial relations and welfare reform initiatives may increase our employment obligations without increasing employment outcomes and thus have us 'Jumping through Hoops' to no avail.
- However, we are grateful for today's forum which offers us all a collaborative opportunity to identify areas where particular government attention may be focussed so that these reforms lead to positive outcomes.
- My background paper outlines the disparities which currently exist for women with disabilities in education and employment. Because there are disparities, WWDA calls for desegregation of data, and the use of this information to set up targeted programs to redress imbalances. Our thanks go to Marie who tracked down some disaggregated data in the last couple of weeks. WWDA paid for the disaggregation of other data last year.
- So we know that the educational achievements of women with disabilities are equal to or better than those of men with disabilities, from Year 10 to University. We know that there were about 280,000 women with disabilities on the DSP in 2004 compared to approximately 420,000 men with disabilities. That is a 40:60 percentage split. We know that men with disabilities are two and a half times more likely to be in full-time employment, and half as likely to be in part-time employment. In either case they are likely to be in better-paid jobs. The data which we do have highlights apparent anomalies. Why are there so many more men on the DSP, as well as more men in employment when there are equal numbers of men and women with disabilities? Where are these women and what are they living on?
- For the purposes of today's forum, what does all this mean in terms of welfare and industrial relations reform? We would like to hold to the premise that the Government does not want to disadvantage the vulnerable, and that appropriate support mechanisms can be put in place.
- Nonetheless, industrial relations reforms do bring in a **potential** for exploitation. This potential increases to have the greatest affect on people in vulnerable

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employment positions—those in part-time, casual, low-paid jobs where employers have a tight profit margin. This is an area where women with disabilities are over-represented.

- Women with disabilities will also be extremely vulnerable in the area of negotiating individual AWAs. Low self-esteem, lack of confidence, lack of familiarity with legal terms, lack of knowledge of rights and previous entitlements will all serve to give them low bargaining ability. What safety nets can be put in place to support them? Of course these lacks will affect other vulnerable groups, although perhaps to a lesser degree.
- Provision exists in the *Workplace Relations Act* for bargaining agents to negotiate on behalf of people with special needs. There is potential for such agents to provide appropriate support. However, WWDA is concerned that such agents really understand the women with disabilities who are their clients, and that men with disabilities are not disproportionately given assistance. How can we put such agents to best use?
- Factors which make women with disabilities vulnerable in the area of AWA negotiation also put them at risk in the area of unfair dismissal. There is conjecture that the existence of the safety nets of the *Sex Discrimination Act* and the *Disability Discrimination Act* may be a disincentive to employment of women with disabilities. This hypothesis needs to be explored.
- Under the ‘Welfare to Work’ reforms, post 1 July 2006, a two-tiered system of Disability Support Payments will emerge. Those assessed as capable of working for 15 or more hours per week will be put on the Newstart Allowance at a loss of up to \$38 per week. Without going in to detail, although some associated allowances have been increased, they are not sufficient to offset the lowered income level. WWDA believes, along with other peak disability organisations, that the cost of living increases for people with disabilities when they are searching for or in employment. Entitlements need to be kept in place for longer periods than currently proposed and to be maintained to higher threshold levels of income.
- People with disabilities will have to undergo a number of assessments including a workplace capacity assessment to determine whether they can work for 15 or more hours per week. A pilot ‘assessment and early intervention project’ is already underway. Major questions about how work capacity is measured and how barriers to work are minimised, need to be addressed. The potential for improvement is there, and it is essential that the solution streamlines the process from Pension or Allowance to Employment.
- Employers need support as potential employers of people with disabilities. An annual amount of approximately \$13 million is to be dedicated to strategies which will increase employment opportunities for identified groups of people, including people with disability. The strategies are aimed at encouraging businesses in certain industries to employ people from the target groups. Any programs developed to increase employers’ capacities to employ people with disabilities,

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need also to ensure that women with disabilities are assisted to the same degree as men with disabilities.

- There needs to be better integration of support by the Federal and State or Territory governments, which is central to assisting people to find and stay in work. There also needs to be recognition of specialist supports (e.g. personal care, transport) which enable people with disabilities to participate in the workforce.
- Additional funding has been provided to agencies including Job Network and open employment services to assist people with disability to find work. There is a risk that as a result specialist employment services may see funds diverted to focus on a people with lower support needs. Reforms must protect and expand specialist employment assistance for people with high support needs. The Quality Assurance Framework set up for specialist support services must be maintained.
- Career opportunities have not been addressed. Many people with disabilities are undervalued in the workplace and consistently overlooked for promotion, with a resultant drain on self-esteem.

In conclusion, many strategies need to be put in place to improve the participation of women with disabilities in the workplace. These strategies need to be targetted to specifically assist women with disabilities. Disaggregated data needs to be used so that appropriate targets can be identified. WWDA is optimistic that today's forum may help the Government to put the right supports in place which will lead to an increase in the workplace participation of people with disabilities, and in particular women with disabilities.

JUMPING THROUGH HOOPS

WELFARE AND INDUSTRIAL RELATIONS REFORM IMPLICATIONS FOR WOMEN WITH DISABILITIES

Sue Salthouse

Women With Disabilities Australia (WWDA)

Sue Salthouse has a background in community development and education, having worked intensively in the area of social justice since 1996. She is currently a Policy and Project Consultant to Women With Disabilities Australia (WWDA) and is Secretary of the WWDA Management Committee. She plays an active role in advocating for women with disabilities at the individual and systemic level, with particular interest in the areas of violence and health.

Maximising the employment of people with disabilities is a rational economic necessity of making the fullest use of the skills and abilities available in our and society (Ozkowski 2005). However, welfare and industrial relations reforms must properly address the barriers which confront people with disabilities (and in particular women with disabilities) in seeking and maintaining employment. Otherwise the reforms currently proposed will merely have women with disabilities 'jumping through hoops'.

Background

Women with disabilities are a group of Australians with a strong work ethic. They recognise the personal and economic empowerment attached to 'being employed' and are eager to embrace any initiatives which will assist them to participate in the workforce. Large numbers of them (390,000) are in full and part-time employment. Large numbers are looking for paid work and large numbers are paid work aspirants.

The academic achievements of women with disabilities are great and equal to, or better than, those of men with disabilities. More than 71% of women with disabilities are now completing Year 10 or higher (compared to 68% of men with disabilities and 87% of able-bodied people). In tertiary education, 61% of the students with disabilities completing degrees in 2002 were women (WWDA 2004a).

However, examination of the employment situation for people with disabilities shows that the labour market is skewed against women with disabilities. They are discriminated against on the grounds of both gender and disability. The discrimination starts at Centrelink's door. Women with disabilities consistently miss out when competing for jobs. In 2003 open funded employment services assisted more than 35,000 people with disabilities. Only 35% of those assisted were women (WWDA 2005).

In 2003, the labour force participation rate for women with disabilities was 46.9%, compared to 59.3% for men with disabilities. This is a greater than 12 percentage points difference. The unemployment rate for women with disabilities is about 8.6% and has improved little over the past five years, whereas that for men with disabilities has improved radically from 13.5% to 8.8%. The unemployment rate for the able-bodied

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population has improved from approximately 8% to approximately 5% over the same period (HREOC 2005; ABS 2004).

Moreover men with disabilities are far more likely to be in full-time employment (21% compared to 9%), whilst the converse is true for part-time employment (6% compared to 11%). Women with disabilities, whether employed part-time or full-time are likely to be in lower paid jobs (WWDA 2004b).

The ramifications of all this are significant and far-reaching, starting with the relegation of women with disabilities to the lower income brackets.

Getting a clear picture of the situation for women with disabilities is difficult. In general government reports do not publish desegregated data. This is not justified whilst such stark disparities exist in the employment outcomes for men and women with disabilities. In 2004, WWDA purchased desegregated data from the Australian Bureau of Statistics *Survey of Disability Ageing and Carers (ABS 2004)*. This showed that men with disabilities were more likely to have waged or business income (23% compared to 16%). There were just over half a million (23%) of women with disabilities receiving the Disability Support Pension (DSP), Newstart or some other form of government allowance. This compares to 447,000 (20%) of men with disabilities (WWDA 2004b). Grouped data masks the marginalisation of women with disabilities and is itself a discriminatory practice. Desegregation of data is essential, so that the inequities can be seen, assessed and addressed.

The proposed welfare and industrial relations reforms will need to address the imbalances for women with disabilities.

Industrial Relations Reform

Analysis of the proposed industrial relations reforms shows that those in low income, part-time and casual positions will be most affected. Women with disabilities are over represented in such positions. At all income levels the current trend of casualisation of the workforce will be accelerated.

A synopsis of the proposed changes is:

- removal of employment conditions from awards

All employees in part-time and casual positions will be affected by this. Employees who are vulnerable to exploitation have the greatest need for the safety net afforded by awards and set minimum wages. Already over represented in part-time and casual positions, women with disabilities will be particularly affected.

- change the way minimum wages are set, with a risk of reducing them

Women with disabilities are already over represented in positions where the minimum wage is paid. The costs associated with living with a disability must be met regardless of income level, so that women with disabilities on the minimum wage live well below the poverty line (approximately \$27,000).

- individual contracts which undercut existing rights and conditions

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Many women with disabilities may not have the knowledge required to understand the conditions in an Australian Workplace Agreement (AWA). Because of their low self-esteem women with disabilities will be most affected by the power imbalance between the employer and employee. If AWAs are increased from 3-year to 5-year terms then a woman with disabilities will be locked into unfair conditions for additional periods. Job security is far more precarious for women with disabilities, who therefore cannot risk leaving even if current conditions are poor. Women with disabilities benefit from collective bargaining, and award wage conditions.

- keep unions out of workplaces, reduce workers' negotiating and bargaining rights

Women with disabilities are affected by this in the same way as all employees.

- abolish redundancy pay and protection from unfair dismissals for people who work in small businesses.

Low self-esteem will make many women with disabilities unaware of the concept of unfair dismissal, so that safeguards against it and the safety net of redundancy pay are very important. The removal of this protection will have a high impact on women with disabilities. Where dismissal is disability related recourse to discriminatory laws may be necessary—a pathway which is disadvantageous to people with disabilities. The existence of this fallback position may now act as a disincentive for employment of people with disabilities relative to other candidates (Ozkowski 2005). It may similarly act as a disincentive to employ women because the *Sex Discrimination Act* provides a similar fall back position for women.

- reduce the powers of independent umpire to settle workplace disputes and set minimum work standards.

Any reduction in the powers of the Industrial Relations Commission will reduce outcomes for all employees.

Welfare Reform

The new welfare reform rules will affect women who qualify for the DSP after 1 July 2006. This will effectively be all students with disabilities coming off Youth Allowance and those with newly acquired or diagnosed disabilities.

The 'new-DSPs' who are assessed as capable of working for 15 hours/week or more will be placed on Newstart Allowance and expected to meet requirements of this allowance. Dubbed the 'Disability Dole', its recipients will be \$77 per fortnight worse off than their 'old-DSP' counterparts (Ellis 2005). From 1 July 2006 a two-tiered DSP system will operate.

The Newstart Allowance does not take into account the additional costs of disability, and the additional costs associated with training or looking for work. Recipients with disabilities will therefore be disadvantaged compared to their able-bodied counterparts.

A summary of budget outlines (Dutton 2005) with respect to people with disabilities are:

- \$554.6 million over four years for people with disabilities, \$482.3 million to employment related assistance

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Money needs to be directed into addressing the national skills shortage with specific skills development programs for people with disabilities going from welfare to work.

- assist workforce participation of those assessed as capable of 15 or more hours work per week at award wages in the open market

In 2002, 65,000 people with disabilities used both supported and open employment services to look for work. Forty thousand of these were on the DSP, 5,000 on Newstart and nearly 8,000 on some other form of income support. Twelve thousand were in paid employment (FaCS 2004). It is important to note that 74.6% of those in the workforce, worked for greater than 15 hours per week. In 2003, the number of people with disabilities in employment fell drastically (12.9% compared to 18.9%) and the numbers on Newstart and other allowances had already begun to climb (9.4% compared to 7.8%) (FaCS 2005).

The 8:1 ratio of DSP to Newstart evident in 2002 may well be reversed, so that huge numbers of women with disabilities will be trying to access Centrelink and employment services. More staff will be needed and all staff will need training to work effectively with women with disabilities.

- such people will get Newstart or Youth Allowance

The level of these allowances is such that people will be \$77 per fortnight worse off compared to income under the DSP. This will result in increased hardship, homelessness etc.

- such people will get the Pensioner Concession Card, Pharmaceutical Allowance and Telephone Allowance

Although the threshold levels for retention of these allowances has been raised, people with disabilities will still be substantially penalised at low income levels when these supports are withdrawn.

People with disabilities have considerable costs associated with their disability. These include transport/travel, personal care, medical and health, domestic cleaning and maintenance, assistive equipment and home adaptations. Recognition of these added costs should mean that support payments are continued for longer periods of time and the threshold levels raised. *Otherwise for many women with disabilities, remaining on income support is the most rational response to the reality of their situation* (WWDA 2005).

- Mobility Allowance increased to \$100 per fortnight

This level of Mobility Allowance is not adequate to cover travel costs for any aspect of employment.

- required to undertake job search activities and have Mutual Obligation requirements

Where people with disabilities are in competition with able-bodied counterparts, they are disadvantaged because they have much greater drains on their income and energy because of their disabilities. If the same level of Mutual Obligation requirements (part-

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time employment, education/training or 'work for the dole') is applied, the situation is effectively discriminatory.

WWDA shares the Government's vision of an inclusive society where people with disabilities can fully participate as citizens. *Thus any strategies which look to the principles of 'mutual obligation, self-reliance and early intervention' require a clear sense of the reality of the situations that women with disabilities face, and a commitment to addressing the barriers that stand in the way of them participating in the labour market* (WWDA 2005).

- comprehensive work capacity assessors will make assessments and have access to funds for rehabilitation

Such assessors will need comprehensive training so that they can interact effectively with clients with disabilities.

- provision of extra employment services to assist more people in: disability open employment services, Job Network, vocational rehabilitation, and the Personal Support Programme

Comprehensive training will be needed for Centrelink and all levels of employment service staff to enable them to effectively support people with disabilities in job search activities.

- the income tests for most allowances are increased, and the losses incurred for income earned above a threshold is reduced.

The budget outlines do not show the compliance framework which applies to people undertaking job search activities on Newstart or Youth Allowance. This will directly link payment to participation in Mutual Obligation activities. Payment cuts will be made without warning with the onus on the person with disabilities to prove a valid reason for non-compliance. This is an exceptionally difficult circumstance for people with disabilities. 'Serious' non-compliance conditions will result in an eight-week cessation of payment. The proviso that 'people with disabilities will be case managed and receive limited finance assistance to meet essential expenses' is of little comfort.

No concessions are given to people with disabilities for the additional energy needed to get ready for and travel to work, or the additional energy required to fulfil the work hours. There are no supports for the ongoing travel costs incurred by people with disabilities.

There are a number of existing incentives for employers (e.g. Wage subsidy Scheme, Supported Wage System, Workplace Modification Scheme) of people with disabilities. To date, they have not been very successful in increasing the proportion of people with disabilities in the workforce. Under the current budget initiatives there is a minimal increase in the assistance to employers of people with disabilities. Most of this increase goes to provide a website to give employers information on employment and training of people with disabilities.

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Conclusion

In the preceding outlines of welfare and industrial relations reforms it is not possible to identify any initiatives which will address the employment and employability imbalances which exist for women with disabilities. A necessary first action is for the Australian Government to acknowledge these inequities (WWDA 2005). Subsequent action is needed to address the problems. A significant action in this regard is the necessity for a return to the use of desegregated data in the areas of education and employment of people with disabilities. Data which is not desegregated hides the inequities and fosters their perpetuation. Targetted gender-specific action, based on research into identified barriers, is also needed. Threshold levels at which disability-related supports and services are reduced or discontinued must be further examined, so that the withdrawal rates do not act as a disincentive to gaining employment. The lack of portability of disability-related programs and service support both within and between jurisdictions and States must be addressed. Forums developed for information exchange and support groups for women with disabilities trying to enter the labour market should be developed and maintained (Ibid.).

The welfare and industrial relations reforms ignore many of the realities of life for people with disabilities. Unless supports for employment are put in place, the only results for women with disabilities will be heightened activity with little change in employment outcomes, a heightened sense of frustration and failure, and a confirmation of the perception of having to 'jump through hoops' to no avail.

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WELFARE REFORM AND SOLE PARENTS – SAFEGUARDS AND SUPPORTS

National Council of Single Mothers and their Children Inc.

Workshop Presentation

Rille Walshe presented this paper. Rille is a former NCSMC Convenor and is currently Chair of the Board of the SPARK Resource Centre, a family support agency funded by the Government of South Australia to provide services to single parent families. SPARK is the South Australian member organisation of NCSMC.

- NCSMC welcomes **support** for sole parents to undertake paid work. We are opposed to measures that force parents to work without regard for the welfare of their children.
- The proposed changes to Parenting Payment (sole parents whose youngest child is six years of age or older will be granted ‘enhanced’ Newstart in lieu of Parenting Payment Single (PPS)) affect both men and women, but as the majority of people on PPS are women, the new measures will have a disproportionate effect on women.
- Parenting Payment Single recipients are the most engaged with the workforce of any government benefit.
 - In any 12-month period approximately 73% of PPS recipients engage in either paid work or study.
- Workforce participation rates of single/sole mothers are a few percentage points lower than for married mothers. I would suggest that there are some significant factors that explain the differential.
 - Lack of a partner means that there is greater personal resource required for parenting—one parent carries out the parenting and household tasks that are shared to some extent in a two-parent family. Sole parents are time and resource poor generally and are much more likely to be living in poverty.
 - Poverty impacts in various ways. For example sole parents have a very low rate of motor vehicle ownership compared to the general population (~75% : ~98%). Only 50% of jobless sole parents have a car. This is a big disadvantage in a society that largely relies on private transport. Public transport is limiting when a parent needs to get children to school and/or child-care before finding their own way to work.
 - There are a large proportion of sole parents who themselves have disabilities and who are caring for children with significant disabilities (eg. marriages often break down under the strain of caring for a severely disabled child.) Research carried out by Centrelink for Australian Working Together indicated that 20-25% of sole parents in their samples fell into these categories. Adding 73% participation rates and ~25% comes very close to 100%, indicating that there are very few sole parents who have the capacity to work who are not engaged in some sort of work or study endeavours.

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- Re support for sole parents to enter/re-enter the paid workforce—current programs are extremely well taken up by sole parents. We argue that there is little need for a punitive approach to force sole parents into the workforce.
- The supports that need to be in place for sole parents to be active in the paid workforce are complex.
 - Care for their children, which becomes more complex with more children. For example, they may require a combination of long day-care, before and after school care, vacation care and perhaps family day-care as well.
 - Transport needs: more complex because of the need to drop children off at school/child-care and pick them up as well as travel to work. Needs to be accessible and affordable in relation to the work undertaken.
 - Child-care needs to be affordable and accessible and of a quality/suitability that the parent is comfortable to leave their child there.
- We have concerns that the needs of the children and their parents will be subservient to the needs of the system. For example, the Job Network system has a range of indicators that they are bound by in order to achieve outcomes that don't necessarily match the needs of parents and their children.
- A major concern is the financial outcomes for sole parent families of the proposed measures.
 - Our figures demonstrate that sole parent families will be significantly worse off under the proposed system. There are four factors that impact to decrease income.
 1. PPS is currently \$44.30 per fortnight more than Newstart Allowance and this differential is likely to increase because of the way pensions and allowances are indexed.
 2. The income test on 'enhanced' Newstart is much more severe than that of PPS. The allowable earnings before benefits decrease is much lower (\$62pf : \$146.60pf +\$24.60pf for each additional child).
 3. The taper rate, the rate at which benefits are withdrawn for earnings, is higher for 'enhanced' Newstart (although it has been reduced from the current Newstart taper rate). Where 40 cents in the dollar is tapered for PPS, this will rise to 50 cents in the dollar from over \$62 to \$250 of earnings and then 60 cents in the dollar thereafter. (One woman I know worked out that she would be \$100 per week worse off under the new system. She may escape this fate if she does not go off part PPS in the next few years but other women will not be so lucky.)
 4. Indexation of the payments, as mentioned before, are calculated differently. PPS is now calculated at the Male Full Time Average Weekly Earnings (MFTAWE) and Newstart rises with the Consumer Price Index (CPI)—a smaller increase.

These changes impact critically on the income of sole parent families. With other taxes and withdrawal of benefits the Effective Marginal Tax Rates (EMTR) will be very high. Add to this the direct cost of working and the family may well achieve a net reduction in income for some work.

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Under the new proposals it will be much more difficult for sole parents to undertake study, particularly tertiary study. Anyone studying will still have to meet the 'seeking or undertaking work of at least 15 hours per week' regardless of study workload or will need to transfer to Austudy which is a lower payment than even Newstart. We suggest that this will effectively bar many women from tertiary study options, a strategy that has been used by many sole parents to escape the poverty traps inherent in sole parenthood.

The sole parent population is not a static one. Many people now become sole parents for a period in their life. These new policies will affect women and men in the future. Separation, divorce, or death of a partner will bring people who never intended to become sole parents into this new regime.

And I actually don't know too many people who intended to become sole parents despite having worked in this area for nearly 25 years now. Becoming a sole parent is not so tempting that it figures as a career aspiration. And staying a sole parent living on a government benefit is not the aim of many women either.

Work by NCSMC and others over the years has led us to postulate that approximately 50% of women who experience relationship breakdowns have experienced domestic violence. This factor is not well understood and is largely ignored in policy terms. However, it has major ramifications for women and children who are affected by DV and we believe that the proposed measures do not factor in the difficulties faced by these families.

Other changes that will impact on sole parents and their children are the proposed changes to the Child Support formula, changes to the *Family Law Act* and changes to the Industrial Relations (IR) legislation. While it is not yet clear how the Family Law and IR changes will impact it is clear that the Child Support changes will result in reduced payments for children in most cases and savings to the non-resident parent (predominantly fathers). This measure will also reduce the household income for sole parent families.

I believe we need an adequate safety net for parents and children when relationships break down for whatever reason and one parent is responsible for most of the work of parenting. I think we have some way to go before these proposed measures will hit the mark.

WELFARE REFORM AND SOLE PARENTS – SAFEGUARDS AND SUPPORTS

National Council of Single Mothers and their Children Inc.

About NCSMC

The National Council of Single Mothers and their Children Incorporated was formed in 1973 to advocate for the rights and interests of single mothers and their children to the benefit of all sole parent families, including single father families.

NCSMC formed to focus on single mothers' interests at a time when women who were pregnant outside marriage were expected to give up their children for adoption by couple families and there was no income support for parents raising children alone. Today most single mothers are women who have separated from a partner. Issues of income support, child support, paid work, housing, parenting, child-care, family law, violence and abuse continue as concerns to the present day.

NCSMC has member organisations in States and Territories around Australia, many of which also provide services and support to families after parental separation.

NCSMC aims to:

- Ensure that all children have a fair start in life;
- Recognise single mother families as a viable and positive family unit;
- Promote understanding of single mothers and their children in the community that they may live free from prejudice;
- Work for improvements in the social economic and legal status of single mothers and their children.

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This document is a response to the changes to parenting payment announced in the 2005 Budget. A summary of the proposed changes is attached as Appendix One.

NCSMC notes that the 2005 Budget provides for new participation requirements for Parenting Payment recipients once their youngest child turns six. This provision is being proposed in the following context:

- Sole parents are the most active income support recipient population undertaking paid work, employment assistance programs, study and training;
- Demand for employment assistance programs, training and child-care places far exceeds supply;
- No evaluation data is yet available to determine the success or otherwise of the Australians Working Together legislation as implemented as at 30 September 2002, and 30 September 2003.
- The Prime Minister's recent promise: "If no suitable child-care is available, or the cost of care would result in a very low or negative financial gain from working, the parent will not be required to accept the job"(ACOSS, 2005).

The following section highlights NCSMC concerns and recommendations across a range of areas including

- Payment Rates and Taper Rates on Earnings and Indexation Base
- Participation Requirements and Activity Tests
- Compliance Regime
- Access to Education
- Job Network Outcomes
- Workplace Conditions for Parents
- Child-Care
- Consultation, Monitoring and Evaluation

Payment Rates and Taper Rates on Earnings and Indexation Base

There will be serious adverse financial impacts on single parent households because of the proposed changes, despite research evidence that single parent families are at highest risk of poverty (NATSEM 2005, Smyth and Weston 2000). Changes in indexation, payment rates and taper rates on earnings will financially penalise families whether or not the parent is in the paid workforce.

Parents applying on or after 1/7/2006 for income support will be financially disadvantaged in many aspects:

	Prior 1/7/06	On or after 1/7/06
Type of Payment	Parenting Payment Single	Newstart Allowance
Current Payment Amount	Up to \$476.30 per fortnight	\$432.00 per fortnight
Income Test	\$146.60 + \$24.60 each additional child pf	\$62.00 pf

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Taper Rate	40 cents in the dollar	From \$62 to \$250: 50 cents in the dollar Over \$250: 60 cents in the dollar
Indexation	Male Full Time Average Weekly Earnings	Consumer Price Index

The reduction in the amount of income support payment will increase the poverty risks for sole parent households.

The reduction in benefits from paid work embedded in the increased taper rate will increase Effective Marginal Tax Rates for sole parents and decrease the opportunities for financial benefit once the costs of working are taken into account. The Prime Minister has promised that sole parents will not be forced to undertake work that leaves them with no net gain after the losses embedded in EMTRs and costs of working are taken into account.

The lower rate of payment indexation will also exacerbate poverty risks.

Recommendations:

- Parenting Payment recipients, including future applicants, should not lose income as a result of any changes. For example, there should be no diversion of PPS recipients from pension to Allowance rates and conditions.

Participation Requirements and Activity Tests

NCSMC is concerned that participation requirements will place unreasonable pressure on single parent families to choose between their children's needs and interests and meeting the workfare requirements.

NCSMC is concerned that single parents will incur considerable costs in meeting participation requirements and activity tests on reduced income.

NCSMC is concerned that Job Network outcome payments will be structured to pressure agencies to coerce parents into work activities which are against their own or their children's interests and needs. For example, will job seekers be coerced into accepting a job of more than 15 hours per week?

NCSMC is concerned that parents' and children's health needs will increase due to stress experienced by highly distressed families coping with additional workfare demands.

NCSMC is concerned that newly separated parents will have no opportunity to address the family needs arising from the separation including rehousing, family law processes, and dealing with domestic violence and or child abuse, where this is an issue, if they are forced to undertake paid work activity immediately.

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The risks of parents being forced to place compliance ahead of their children's interests include children experiencing higher rates of neglect and reduced access to parental support, health care, education support, recreation support and emotional care.

The legislation should protect the rights of parents to provide care to their child(ren) without risk of loss or reduction of income support, or other penalty (this would include missing appointments, leaving the work place, failing to attend training, etc when children/domestic needs arise—both in the short term and over the longer term).

There should be acknowledgement that further assistance and support is needed (both access to and funding of) to address structural disadvantage faced by sole parents.

Where appropriate and affordable child-care is not available, there should be no requirement to participate.

Parents should not be required to engage in activities outside school hours.

The number of children and adolescents in a parent's care should be recognised as limiting their capacity to participate.

Recommendations:

The legislation should include the following provisions as already exist in the AWT legislation:

- Any requirements should be averaged over a number of weeks rather than a fixed number of hours per week;
- Recipients should have the option to participate in education and training that would improve their future job prospects and income, rather than searching for a job immediately;
- Parents should be exempted from participation requirements where they have:
 - A child with a disability or chronic illness;
 - Where a critical event in the family's life such as family court proceedings, domestic violence, child abuse, homelessness, would make compulsory participation unreasonable at that time.

The legislation should specify that any new participation requirements must be reasonable, must enable parents to care for their children and must take account of the availability of suitable paid employment as well as:

- the aspirations and goals of recipients;
- their employment, education and training background;
- the number, ages and needs of children, including their need for parental attention and support and family emergencies such as sick children;
- access to child-care and school;
- other caring responsibilities, such as foster care and home schooling;
- disabilities or health problems, including episodic conditions;

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- instability in the family or in living arrangements;
- ex-partner's contact arrangements;
- locational factors, such as proximity to affordable transport;
- the direct costs of compliance with requirements;
- the double transport burden of taking children to school and then travelling to work;
- there should be no requirement for parents to participate in Work for the Dole.

NCSMC is concerned that the extent and consequences of domestic violence/post-separation violence have not been given significant consideration. The most common way of becoming a sole parent is through relationship breakdown, and domestic violence is often a factor. Women and children escaping (or attempting to escape) such violence may be in a refuge, in hiding, or in new accommodation. They need time to settle and often experience poverty and lack of access to resources. They have emotional and practical issues to deal with for both themselves and their children. They need additional support, including counselling for themselves and their children. To expect women in this situation to **immediately** look for paid work, if their youngest child happens to be six or older, is unreasonable.

Recommendations:

- That a one year exemption apply, with the possibility of this being extended if needed;
- That this be determined at the discretion of a Centrelink social worker, with minimal burden of proof (such as a support letter from a Community Domestic Violence Service).

NCSMC is concerned that the burden of proof required for a parent to meet the needs of their children, resulting in them being unable to 'comply', will be too onerous. There are many situations that will arise where parents will be placed in the hideous dilemma of attending to their child(ren) or meeting their workfare obligations. If evidence is required to 'prove' that they have a 'reasonable excuse' for 'failure to comply' this could become overly burdensome and expensive.

Recommendations:

- That parents' statements of their assessment of their children's needs be routinely accepted as adequate reason for non-compliance and where children's needs are a continuing issue, that the family situation be assessed by a Centrelink social worker with discretion to suspend workfare requirements for a period.

Compliance Regime

NCSMC is concerned that parents and children could face serious deprivation where 100% payment suspensions will place adults and children at risk of being unable to meet

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basic needs at short notice and outside office hours. Suspensions should not be total, or without notice, or without emergency access to funds.

Recommendations:

Protections against unfair decisions and financial hardship in the event of a suspension of activity requirements should be maintained and strengthened by:

- requiring Centrelink to make at least two attempts to contact recipients, and discuss the issues with them, before suspending any payments;
- requiring Centrelink to send a written notice immediately any payment is suspended and place a clear note on parent's file/screen so that s/he will be advised of suspension upon any contact with Centrelink;
- requiring Centrelink to make a distinction between imposing a suspension and deciding when that suspension should take effect, depending on the parent's payment cycle;
- maintaining the distinction between administrative and activity breaches for the purpose of determining whether eight-week suspensions should apply, and reducing the maximum non-payment period to no more than two weeks;
- increasing the number of prior suspensions in the past 12 months before any no payment penalty should apply from the proposed three to at least five;
- restricting these to activity test 'offences' only;
- requiring Centrelink to immediately restore payment on parent's contact with them, whether or not a penalty deduction is subsequently imposed;
- maintaining the scope, resources and format of the independent Social Security Appeals Tribunal and the internal review system within Centrelink, and giving recipients a right of review and appeal against any decision not to fully restore a payment after suspension, or to impose a suspension of more than one fortnight's payment;
- maintaining existing safeguards, including those introduced in 2002, to minimise the risk of unfair breaches and suspensions, or suspensions of vulnerable groups;
- introducing new safeguards to prevent financial crises in the event that payments are suspended, including for recipients paid on Fridays and those using the Centrepay system;
- In the event of a suspension, parents should have 24 hour/seven day access to emergency financial support;
- Suspension of payment should not account for 100% of income, but enable recipients to access a minimum safety-net amount such as \$50;
- A list of circumstances that should be taken into account by Centrelink staff in determining 'reasonable excuse' should be prepared, drawing on consultation with the community sector; these circumstances need to include recognition of poor literacy, homelessness, and people who may not understand English.

The proposed suspension model is also likely to have unintended or flow-on penalties, such as:

- Bank dishonour fees when there are insufficient funds in the bank account to meet automatic deductions;

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- Eviction or penalties when parent is unable to pay rent on time;
- Reconnection fees for utilities and telephone.

Recommendations:

- Parents who are deemed to have failed to comply during the second half of their payment cycle (days 8 to 13), should receive written notice to advise them to contact Centrelink immediately, that a suspension had been determined and that this will apply from the payment after next (ie not day 14 but day 28).

NCSMC is concerned that the emergency provisions, involving case management, will be very difficult to implement effectively. For example, what is meant by the term 'specialist'? How will children's needs be defined? What criteria will define what bills will be paid? What funding will be supplied for meeting daily living expenses? What happens if funds allocated for the purpose of meeting children's needs do not do so?

The Government has human rights obligations not to deliberately induce deprivation of basic needs from low-income families.

Access to Education

Sole parents need access to education and training to further their long-term earning prospects. Many sole parents have to re-skill or acquire new skills after having left work or study to meet family care demands. Part-time study is an important avenue to independence for many sole parents, however, parents face barriers of time, costs and access to education and training.

Recommendations :

- Parents should have access and funding for appropriate training and education;
- Parents should be able to choose their preferred areas and levels of training or education;
- Parents should be supported to undertake part-time or full-time study, depending on their family situation, with exemption from activity tests and penalties;
- Parents who are studying should continue to have access to the Pensioner Education Supplement;
- Parents should have uncapped access to the JET scheme for assistance with access to education opportunities and with meeting child-care costs.

Job Network Outcomes

Job Network providers have their practices structured by business contracts with DEWR. These contracts provide outcome payments for different 'deliverables'. It is critical that outcome payments for parents do not coerce Job Network providers into placing

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unreasonable demands and expectations on families in order to protect their agency's financial viability.

A criticism raised by users of the Job Network has been a perceived lack of awareness and interest in the individual needs of the jobseeker in the negotiation of participation plans. Clients often report experiences of being told to 'sign here' without opportunity for informed discussion or negotiation which includes the clients' perspectives. These transactions increase client distrust and hostility towards the provider and an escalating loss of belief that the Job Network provider will be of any practical assistance. Such beliefs are often borne out in practice.

NCSMC is concerned that Job Network services provide parents with the opportunity to be informed about the options the agency can provide and the opportunity for empowered negotiation with the Job Network provider to reach a workable and achievable participation plan which takes account of their aspirations and skills, family circumstances, health status and location.

NCSMC is concerned that the evaluation of the AWT package has not been adhered to as promised and that sweeping social policy changes are being enacted without regard to the data on the impacts of existing measures.

Recommendations:

- Job Network provisions should take account of the limited job opportunities in many regional areas.
- Resources and incentives for Job Network providers to assist parents should be improved by:
 - ensuring that the level of labour market disadvantage of sole parent job seekers is properly recognised in the assessment and classification system;
 - improving Job Network resources to assist sole parents with disabilities;
 - adjusting outcome payments to ensure that providers have sufficient incentive to assist parents to engage in part-time employment;
 - adjusting outcome payments to increase the Job Network provider's incentive to engage parents in education;
 - extending Intensive Support Customised Assistance up front to assist disadvantaged job seekers at that stage of assistance.
- Parents should be fully informed of all Job Network providers in their locality and their opportunities for job training and placement with the provider.
- Job Network providers should receive training from sole parent organisations in single parent needs.
- Provide evaluation data so the success or otherwise of the existing Australians Working Together legislation can be determined. This should include, but not be limited to, data with respect to parents and others on:
 - Movement from benefit to paid work (including casual, part-time, and full-time)

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- Access to services, including return to work programs (eg JET, TTW), training education, and child-care;
- Breaching rates.

Workplace Conditions for Parents

Sole parents face a number of barriers in accessing suitable paid work. A primary concern is the lack of jobs which are suitable to their skills, in a location which is accessible, and at times when child-care is available. Many employers are concerned that family demands will impact on sole parents' work capacity. There is a need for employers to be educated in the benefits of providing family-friendly workplace conditions and employing parents.

Recommendations:

- The Government should develop a campaign to educate employers with both a short and medium term focus to encourage and support them to employ sole parents.
- The Government should legislate for family-friendly workplaces which include access to permanent part-time employment, access to parental leave, flexible working hours and extended leave and proscribe discrimination against employees on the basis of family needs.

Child-Care

Despite the expanded number of child-care places announced in the Budget, the increased work expectations on parents of primary school aged children will greatly increase demand for all types of child-care from long day care, to out of school hours and vacation care. The needs of junior high school students are also currently not met by child-care services despite the expectation that parents seek paid work. Child-care services need to be appropriate to the needs of children and parents in terms of quality care, the timing of care provision and the age and circumstance of the child, as well as accessible in terms of location and affordability.

Parents facing increased participation requirements must compete with other parents for scarce places in child-care and there should be recognition of the priority demands of parents seeking to meet new workfare requirements.

Recommendations:

- A substantial proportion of the additional child-care places should be earmarked for Parenting Payment and other income support and start up assistance should be offered for new outside school hours care services in regions with very limited provisions.

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- There needs to be increased access to child-care provider subsidies for children with special needs (e.g. disabilities) whose parents are engaged in employment and other activities as a result of the Welfare to Work package.
- Employers should be given tax incentives to provide on-site quality child-care.

Consultation, Monitoring and Evaluation

As consultation to date has been rushed and minimal, NCSMC is concerned that this legislation could be drafted without adequate input from consumers and advocacy groups.

Recommendations:

- The Government establish a working party representing a wide range of consumer and advocacy groups to provide input to draft legislation.

With the transfer of responsibility for policy from FaCS to DEWR, it is imperative that an ongoing consultative body be established to ensure DEWR has good links to the community.

Recommendations:

- The Government establishes an advisory body within DEWR to monitor the impact of this reform.

We are yet to see any evaluation data pertaining to the existing AWT legislation and are aware that the planned evaluation process has been delayed. The proposed changes will have a significant impact on the lives of sole parents and their children and close evaluation of data must be undertaken to ensure the well-being of families is protected.

Recommendations:

- The Government release a detailed evaluation strategy, including timelines;
- Data covering all aspects of these reforms be released publicly on a regular basis;
- The Government also commission independent evaluation of the impacts of these reforms.

References:

ACOSS (2005), "ACOSS Welcomes PM's Sole Parent Guarantee", *Press Release*, 3 June.

AMP.NATSEM (2005), Love can Hurt, Divorce will Cost, *AMP.NATSEM Income and Wealth Report No. 10*, April, NSW.

<http://www.amp.com.au/group/3column/0.2449.CH5273%255FNI83031%255FSI3.00.html>

Smyth, B., and Weston, R., (2000) *Financial Living Standards after Divorce: A Recent Snapshot*, Research Paper Number 23, Melbourne. Australian Institute of Family Studies.

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APPENDIX 1

Summary of Proposed July 2006 Changes to Workforce Participation

New Requirements:

Parent whose youngest child is 6 receiving/applying for Parenting Payment Single (PPS) prior to 1/7/06:

- As of 30/6/06 existing Parenting Payment recipients will remain on PPS until their youngest child turns 16; **unless they go off this payment for more than 12 weeks;**
- From 1/7/07 or when their youngest child turns 7 (whichever is later) parents will be required to seek/undertake part-time work of at least 15 hours per week.

Parent whose youngest child is 6 applying for PPS after 1/7/06:

- Parents applying for income support on or after 1/7/06 will receive PPS until their youngest child turns 6; then they will be transferred to 'enhanced' Newstart Allowance and required to seek part-time work of at least 15 hours per week.
- From 1/7/06 parents whose youngest child is 6- 15 when applying for income support will be placed on Newstart Allowance and will have an **immediate** requirement to seek at least 15 hours part-time paid work.
- This requirement may be able to be satisfied by participating in Job Network or other services, or parents who are not in paid work may be required to undertake an annual Mutual Obligation activity.
- Work requirements will be modified in special family circumstances, such as a child having a **significant** disability.

Financial Impacts

Parent whose youngest child is 6 in receipt of or applying for PPS prior to 1/7/06:

- Currently PPS can be up to \$476.30 per fortnight;
- Income Test remains at \$146.60 per fortnight (if you have one child) and increases \$24.60 for each additional child – eg if you have three children you can earn \$195.80 per fortnight and still receive your full pension.
- Income earned in excess of this reduces the rate of pension payable by 40 cents in the dollar (known as the taper rate).
- The pension will continue to be indexed at the rate of Male Average Weekly Earnings.

Parents whose youngest child is 6 applying for income support on or after 1/7/06:

- Currently Newstart Allowance is \$432.00 per fortnight;
- The Income Test for 'Enhanced' Newstart Allowance has been increased but is still significantly lower than that applied to PPS;
- EN Allowees can earn \$62 per fortnight before the allowance is affected; earnings over this but less than \$250 per fortnight will reduce the rate of allowance by 50

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cents in the dollar; earnings above \$250 per fortnight will reduce allowance by 60 cents in the dollar.

- Newstart Allowance is indexed at the rate of CPI (Consumer Price Index which is considerably lower than Male Average Weekly Earnings).

Parents applying on or after 1/7/06 for income support will be financially disadvantaged in many aspects:

	Prior 1/7/06	On or after 1/7/06
Type of Payment	Parenting Payment Single	Newstart Allowance
Current Payment Amount	Up to \$476.30 per fortnight	\$432.00 per fortnight
Income Test	\$146.60 + \$24.60 each additional child pf	\$62.00 pf
Taper Rate	40 cents in the dollar	From \$62 to \$250: 50 cents in the dollar Over \$250: 60 cents in the dollar

NB: Parents currently in receipt of PPS also need to note these changes if they return to paid work with market earnings sufficient to cut them off the pension. After 1/7/06, if this paid work ceases they will not be eligible to apply for PPS but will be placed on Newstart Allowance. The only exception is where this work has not continued for at least 12 weeks.

Increased Assistance

- Increase in child-care places: 84,300 extra Outside School Hours Care; 2,500 extra Family Day Care places; 1,000 extra In-Home Care places over four years;
- Help for 52,000 families under the JET Child-Care fee assistance;
- Extra 12,300 vocational education and training places;
- Extra 2,900 Language, Literacy and Numeracy Program places;
- New employment service, to be called Employment Preparation, to be run by Job Network for parents without recent labour market experience; parents with no labour market experience for two years or more will receive this as soon as they commence with Job Network; parents with more recent experience will receive this after 3 months; this replaces the Transition to Work Program which will cease on 30/6/06; Job Networks will be credited with \$300 per eligible job seeker in the Job Seeker Account to be spent on goods or services (such as training);
- New 'Service Quality Guarantee for Parents' explains the quality of services parents can expect from Job Network.
- Some assistance is to be provided to encourage parents to become 'Family Day Care' providers.

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New Compliance Regime

- The current breaching system will be replaced with a suspension based system from 1/7/06;
- Instead of incurring a breach, if a parent does not comply with their participation requirements, their income support payments will be suspended by Centrelink until they do comply;
- After suspension, Centrelink will try to contact the parent to arrange an interview with the Job Network provider. If this is scheduled within 48 hours, the parent must attend before the suspension is lifted. On attendance, payment will be restored with back payment to the date of contact with Centrelink. If the parent has an 'acceptable' reason for non-compliance, payment is restored in full;
- Centrelink (not Job Network) decides whether or not the parent's reason is acceptable; Job Network's role will be to notify Centrelink (via an electronic Participation Report) after they have made at least two attempts to contact the parent;
- If a parent 'fails to comply' with their participation requirements three or more times in a 12 month period, refuses a job offer or leaves a job voluntarily, an **eight week** non-payment period will apply. If this is likely to cause hardship to children, the parent will be case-managed by a specialist and receive limited financial assistance to meet essential expenses.

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USEFUL LINKS TO EXISTING RELEVANT ON-LINE MATERIAL

For Official Government Statements:

<http://www.dewr.gov.au/publications/budget/2005/mediaRelease/Media%20Release%20-%20DEWR%20-%20WTW%20-%20Overview.pdf>

http://www.dewr.gov.au/publications/budget/2005/mediaRelease/Media%20Release%20-%20DEWR%20-%20WTW%20-%20People%20with%20disabilities_pd.pdf

<http://www.dewr.gov.au/publications/budget/2005/mediaRelease/Media%20Release%20-%20DEWR%20-%20WTW%20-%20Parents.pdf>

<http://www.dewr.gov.au/publications/budget/2005/mediaRelease/Media%20Release%20-%20DEWR%20-%20WTW%20-%20VLTU.pdf>

For Links Relating to Women with Disabilities

<http://www.aihw.gov.au/disability/natpic/index.cfm>

<http://www.wwda.org.au/employsub2.htm>

<http://www.wwda.org.au/employsub.htm>

[http://www.facs.gov.au/internet/facsinternet.nsf/via/disability_census_reports/\\$file/disability_services_census_2003.pdf](http://www.facs.gov.au/internet/facsinternet.nsf/via/disability_census_reports/$file/disability_services_census_2003.pdf)

For Links Relating to Australian Workplace Agreements

<http://www.econ.usyd.edu.au/wos/IRchangesreportcard/>

http://workers.labor.net.au/features/200506/b_tradeunion_awaas.html

http://www.oea.gov.au/printer.asp?showdoc=/employees/info_statement.asp

<http://www.workingwomenscentre.com.au/WORKWISE/awa.htm>

http://www.wel.org.au/issues/work/99wrk1_3.htm

http://cpsu-spsf.asn.au/public_interest/1104/143.html

<http://www.abc.net.au/am/content/2005/s1396718.htm>

For Links Relating to Workforce and Work-Family Balance

http://www.hreoc.gov.au/sex_discrimination/strikingbalance/index.html

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<http://www.aph.gov.au/house/committee/fhs/workandfamily/subs.htm>

http://www.hreoc.gov.au/sex_discrimination/strikingbalance/index.html

http://www.hreoc.gov.au/sex_discrimination/workplace/stretching.html

http://www.hreoc.gov.au/sex_discrimination/pml_pregnancy.html

<http://www.econ.usyd.edu.au/download.php?id=4298>

For Links Relating to Women and Superannuation

<http://assistant.treasurer.gov.au/atr/content/speeches/2002/020.asp>

<http://evatt.labor.net.au/news/34.html#Olsberg>

<http://www.superannuation.asn.au/policy/women&super.pdf>

<http://www.thesydneyinstitute.com.au/ah011002.htm>

http://www.hreoc.gov.au/sex_discrimination/20thanniversary/women_work_equity/speeches/olsberg.html

http://www.superannuation.asn.au/policy/rc0411_gender-differences.pdf

<http://www.catholicwelfare.com.au/policy/default.htm>