



Homelessness Australia

Creating a framework for ending homelessness

Submission to the Employment Services Review

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Introduction

Homelessness Australia is the national peak body for the homelessness sector. We represent more than 1,000 agencies as well as individuals and others who work with homeless people. Our policy work is guided by three reference groups which provide advice about key issues and represent diverse parts of the homelessness sector.

They are:

- The Women's Services Network (WESNET)
- The National Youth Coalition for Housing (NYCH)
- The Council to Homeless Persons Australia (CHPA)

We welcome this opportunity to make a submission to the ongoing Employment Services Review.

This submission is made with reference to the changes as detailed in the document entitled "The Future of Employment Services in Australia: A Discussion Paper". We focus on the key issues with Employment Services as they are likely to affect the homeless, and those at risk of homelessness.

We believe it is in everyone's interest to have an employment services system that enables the homeless and unemployed to engage upon a course of action to access and maintain sustainable housing, with the final goal of establishing employment and meaningful community interaction.

This submission presents ideas and our recommendations that will enable a more effective and equitable employment services program that meets the needs of those experiencing homelessness.

Our submission makes recommendations in three areas:

- new streams for Employment Services outlined in the Discussion Paper
- participation and mutual obligation
- JPET and specialised services/providers

Homelessness Australia also supports the submissions of the following organisations:

- Southern and Youth and Family Services
- Joondalup Youth Support Services
- Melbourne City Mission
- Albury Youth Refuge



The four streams proposed in the Discussion Paper.

Stream 4 must be relevant to the needs of people experiencing homelessness

It is imperative that the operation of stream 4 be relevant to the needs of people experiencing homeless. While we recognise the immense difference employment can make in a person's life, it must be realised that stable employment is unlikely without certain preconditions, including stable accommodation and dealing with the causes of homelessness.

Stream 4 must focus on overcoming these barriers, with employment as a goal either in line the individual's wishes, or with the realisation that these obstacles must be tackled first.

Individuals that experience homelessness are likely to have high and complex need that need to be addressed before being placed into employment. These could include issues with gaining accommodation, escaping from domestic violence, drug and alcohol abuse, significant debts and financial problems, mental illness, family breakdown and many more. A Brotherhood of St Laurence report on the Personal Support Program (PSP) found that 50% of participants had experienced homelessness within the past 5 years. An average participant in PSP faced 8.5 barriers, including family and relationship breakdown, mood disorders, anxiety conditions, drug problems, financial management, long term unemployment and lack of access to transport. The report found that 78% of participants suffered from some type of mental health problem¹.

Stream 4 should be specifically tailored and resourced so as to tackle these barriers, and its performance monitoring should be based upon an individual's progress towards these goals, rather than attainment of quick but potentially unsustainable employment. We recommend that the current features of PSP that allow a focus on these barriers to be retained and built upon in stream 4. The Brotherhood of St Laurence report provides a set of detailed recommendations about how to build on the current design of PSP.

Time periods for participation in a stream

Homelessness Australia is particularly concerned with the fact that the new employment streams appear to be subject to time restrictions.

¹ Perkins, D 2007, *Making it work: Promoting participation of job seekers with multiple barriers through the Personal Support Programme*, Brotherhood of St Laurence, viewed 11 June 2008, <http://www.bsl.org.au/pdfs/Perkins_making_it_work_PSP.pdf>



This is problematic, as there is no given time frame within which a person is going to necessarily be able to be helped back on their feet. Those who find their situations improving may find their access to support services stripped away because they have passed an arbitrary time limit. This will only restrict the ability of clients to transition out of homelessness.

One of the major problems with the old job network was the phenomenon of clients moving back into the generalist caseload because they had undergone their scheduled time in PSP. The experience of staff working in the program is that Job Network became a “dumping ground” for those clients who did not fit into the definitions and guidelines or who no longer qualified for access to other programs.

There is no available information in the discussion paper about what might happen to a client after they have served their time in stream 4. This is highly concerning, considering the fact that these are the most vulnerable members of our community, and those most in need of requiring services. As the Brotherhood Study found, these are likely to be people with more than 8 social barriers. There is also no information contained with the Discussion Paper with regards to how long a client in stream 4 may be expected to take part in “Work for the Dole”, or what would happen to a client after they have finished their time in the program. Homelessness Australia would like to see clients in stream 4 able to continue their connection with support services and participation activities.

The only grounds under which a time limit should exist to services could potentially be for the lower streams, where expiration of a time limit is indicative of a movement to a higher stream and greater barriers that have yet to be identified.

No client in stream 4 should be removed from the stream due to a time limit.

Places in stream 4 should not be capped or subjected to a quota

Stream 4 should be funded to meet the level of demand.

The previous Personal Support Program was subject to a capped place system, under which a specified number of clients were able to access PSP at any time. If people could not access the program, they were placed on a waiting list, where their condition could deteriorate further. This system was inherently unjust, as it limits the number of spaces available in PSP, rather than reacting to people’s needs.

Homelessness Australia supports the philosophy of mutual obligation, but we stress that this requires a commitment on the part of the government as well. Quotas artificially deny access to welfare services, which should be supplied on the basis of underlying characteristics or demand of the community. Quotas and



capped places for programs are an example of the government failing to meet its own requirements under the philosophy of mutual obligation, as they refuse to supply services to those members of the community who need it.

Operation of the Employment Pathway Fund

It is imperative that the credits to the Employment Pathway Fund see payments going towards serving the most highly disadvantaged jobseekers. It is imperative that this is encouraged within a functional and efficient performance management program.

However, it appears that the current amounts to be credited to the Employment Pathway Fund appear to be a step backwards. Under the current Active Participation Model, a highly disadvantaged client would receive credits to the Jobseeker Account totally \$1350. Keeping in mind that clients accessing stream four are the most highly disadvantaged, credits to the new Employment Pathway Fund for the first year of those accessing stream 4 total only \$1100. In the second year of the current Active Participation Model, a highly disadvantaged client would receive a credit of \$750 to the Jobseeker Account. Under the new Employment Pathway Fund, they would receive a credit of \$550.

Over two years of participation, this would account for a funding drop of \$450.

Homelessness Australia believes it is imperative that those Jobseekers accessing stream 4 should receive adequate funding and credits to the new Employment Pathway Fund, at least equal to the previous credits they would have received in a generalist Job Network service.

The Job Seeker Classification Instrument (JSCI) and Job Capacity Assessments

Entry into the various streams is through the operation of the Job Seeker Classification Instrument or Job Capacity Assessments. While these are valuable tools, they are based upon self-identification of a person's condition as well as voluntary disclosure of information to Centrelink or Employment Service Providers.

This can be a significant problem for those who have unstable accommodation or whom are living in situations which are significantly below community standards as they may not identify themselves as homeless.

Implementation of non-payment periods have also introduced a culture of distrust amongst individuals when dealing with Centrelink and Employment Services, and people are inherently unlikely to volunteer information to these organisations if they do not have to.



Homelessness Australia would like to see the JSCI and JCA processes identify different degrees of homelessness, and include questions to gauge living conditions or a history of unstable accommodation. This would allow secondary and tertiary homelessness to be captured and taken into account, and would capture information from those who would not normally identify themselves as homeless.

If the implementation of non-payment periods were lessened upon the most disadvantaged portion of the population, this would also go some way to lessen the issues of fear or mistrust, and further increase the accuracy of the JSCI and JCA in identifying homelessness.

Recommendations

- There should be no time limits to how long an individual can receive intensive assistance, especially in stream 4 of the proposed new employment system. The exception to this rule should be if time limits are used to identify barriers and move people to more appropriate levels of assistance.
- Resources from the Employment Pathway Fund should proportionally go to those most in need, and funding levels should match, if not increase upon, the levels credited in the Jobseeker Account.
- Allow ongoing barrier-related support to clients after they have gained employment to facilitate sustained economic participation by extending support beyond the usual time allowed for employment outcomes.
- Stream 4 must be able to provide the services required by persons experiencing homelessness and not merely maintain a focus on employment. Examples could include accommodation, counselling, drug and alcohol treatment, financial case management, etc.
- If an individual has completed streams 1, 2 or 3, and has failed to achieve any outcomes while participating, a client should be moved to a higher stream. This would be *prima facie* evidence of barriers to employment that the JSCI or subsequent reviews fail to detect. Remaining unemployed for a long period of time is itself a barrier to employment.
- Places available in each of the streams should not be capped as was the case with the previous Personal Support Program. Figures are available in the discussion paper on the proportion of Job Seekers expected in each stream, but it is imperative that these are estimates, not targets or artificial restrictions.
- The Job Seeker Classification Instrument (JSCI) and Job Capacity Assessments should take into account the different stages of homelessness. We recommend the definitions of primary (i.e. rough sleeping), secondary (i.e. couch surfing) and tertiary (i.e. boarding houses and caravan parks) homelessness.



Issues surrounding participation and mutual obligation activities

Minimum Compulsory Contacts

A program of compulsory contacts does not allow sufficient flexibility and customisation of activities and participation that may be required when dealing with persons experiencing homelessness. Compulsory contacts may be financially burdensome, and it may be agreed between the Employment Services Provider and client that there are other external activities that may be better suited to the client.

A minimum number of compulsory contacts will have no effect on those Employment Service Providers who have agreed to meet their clients more frequently, whereas those who are forced to meet clients when they do not wish to are unlikely to use the time productively. Those Employment Service Providers that productively use their resources to fund appropriate external referrals should not be disadvantaged by implementing compulsory contacts, nor should persons experiencing homelessness. Performance management targeted on proper outcomes can help to ensure that providers provide appropriate amounts of assistance to those in stream 4.

Approved activities and other forms of participation

While employment is an important goal for persons experiencing homelessness, it may not be the most appropriate activity, as long term employment is extremely difficult to maintain without first stabilising accommodation prospects or dealing with the underlying causes of homelessness.

Individuals in stream 4 should have a number of options with regards to approved activities. Achieving these activities or other milestones may also be appropriate outcomes when it comes to evaluating the success of clients, Employment Service Providers, or Employment Services.

Alternative activities for persons experiencing homelessness or at significant risk of homelessness could be drawn from the following basic examples. These activities are already established under the current Personal Support Program:

- establishing stable accommodation
- completing education
- maintaining medication or medical treatment
- rehabilitation
- maintaining basic levels of personal care
- drug, alcohol or gambling counselling
- similar related activities



Work for the dole and volunteering should remain acceptable activities, but should not be compulsory for those experiencing homelessness.

“No-Show No-Pay” and 8 Week Non-Payment Periods

A “No-Show No-Pay” model is superior to an 8 Week Non-Payment Period, as this allows an individual to make reparations or undertake participation activities in order to reinstate their payments.

However this may still not take into account the highly disadvantaged status of individuals likely to be found in stream 4, such as those experiencing homelessness.

Homelessness Australia believes there should be reasonable room for service providers to use their discretion as to whether an individual should be punished for non-participation. In line with the recommendations of the Brotherhood of St. Laurence’s review of the Personal Support Program, the definition of “reasonable excuse” should cover any reasonable excuse caused by a client’s specific barriers. Where a provider is unable to contact the client, the provider should not be required to report that participation failure if they reasonably believe the failure was caused by the client’s barriers.

Financial Case Management

Financial Case Management provides assistance to clients who are experiencing a non-payment period and are classified as “exceptionally vulnerable”. The assistance allows for payment of necessities up to the level of the forgone unemployment benefits.

Homelessness Australia believes the implementation of an 8 week non-payment periods is bad policy that places many people at risk of homelessness. Homelessness Australia notes that the statement made in the 2007-08 budget senate estimate hearings that the information on the exact number of people affected is not readily ascertainable. However, an SPRC study found that just over 10% of participants lost their accommodation as a direct consequence of being breached under the compliance system.²

Individuals who have met the requirements for access to stream 4 should have access to Financial Case Management if they undergo an 8 week non-payment period, as qualifying for stream 4 is an indication an individual is exceptionally vulnerable. Non payment periods frequently result in further hardships and have

² Eardly, T; Brown J; Rawsthorne, M; Norris, K; Emrys, L. 2007, *The Impact of Breaching on Income Support Customers*, Social Policy Research Centre, viewed 11 June 2008, <<http://www.sprc.unsw.edu.au/reports/ImpactofBreaching.pdf>>



a negative effect upon accommodation, which in turn causes people to experience homelessness, thereby worsening their situation even further.

Recommendations

- There should not be a minimum number of compulsory contacts for homeless persons. A mutually agreeable plan should be established between the service provider and clients experiencing homelessness.
- Alternative activities for persons experiencing homelessness or at risk of homelessness should be acceptable for participation or mutual obligation requirements. Some examples may be establishing stable accommodation, completing education, maintaining medication, rehabilitation, maintaining basic personal care or other activities. Work for the dole or volunteering should remain acceptable activities, but should not be compulsory for those experiencing homelessness.
- No non-payment period should be imposed upon an individual who is at significant risk of homelessness or is experiencing homelessness.
- Providers should not have to report participation failures they believe are related to the barriers of a particular client.
- No one should receive an automatic 8 week non-payment period, as this is likely to have an overall detrimental affect on people's accommodation.
- Financial case management should be made available for anyone who undergoing any non-payment periods.
- Rent Assistance or other payments should not be removed because someone has reported they have lost their accommodation. People experiencing homelessness should not receive a lower rate of payment or assistance than those who currently have stable accommodation, and individuals should not have to withhold information from Centrelink to maintain their payment levels when their situation worsens.



The Future of the Job Placement Employment and Training Program (JPET) and Specialist Agencies

The Future of JPET

Homelessness Australia shares many of the concerns held in the sector with regards to the future of the JPET program. JPET is currently a program specifically targeted at homeless youth with the aim of bridging the gap between crisis and employment assistance services. It is not a generic or mainstream employment program.

JPET was established to supply the following alternative services³:

“A key objective of the JPET program is to stabilise the young person’s situation in order to re-engage them with education or training, help them access employment assistance or to enter employment.

Participation in the JPET program aims to help young people with:

- *reconnecting with education or study*
- *engaging with employment assistance*
- *participating in programs with a workforce participation focus*
- *accessing specialist support services*
- *stabilising accommodation*
- *increasing social connections and participation in the community.*

JPET providers draw on and work collaboratively with existing community support services and networks in their local community to give young people the most appropriate support for their needs.”

The needs of homeless young persons are extremely complicated, diverse, and qualitatively different from those provided by mainstream employment services to the mainstream population. Homeless young people are likely to be overlooked if drawn into being serviced by one large generalist contract.

We would recommend the retention of the JPET program as a separate entity from the general Employment Services contract. It should be returned to the Federal Department of Families, Housing, Community Services and Indigenous Affairs.

³<http://www.workplace.gov.au/workplace/Individual/DisadvantagedJobseekers/JobPlacementEmploymentTraining/JobPlacementEmploymentandTrainingJPET.htm> Accessed June 2008.



Specialist Programs and Contractual Issues

The Discussion Paper has made it known that the government intends to consolidate several employment services programs into the one contract. While for some this is a welcome act of administrative simplification, it may have some adverse effects on smaller specialist organisations, or operations that are unable to successfully deliver a wide range of services.

Those in rural or remote areas may simply not have the operational capacity, resources, or logistical practicalities to deliver all contracted employment services. Those providers who have specialised and wish to continue their service, even if able to subcontract their services out to larger providers, will not find their contract management simplified, and may even find sub-contracting increases operational complexity.

If inappropriately managed, the consolidation of contracts could see a distinct advantage introduced to larger providers, and a subsequent disadvantage for programs and areas that possess fewer resources or more specialised services.

This may result in a drop in operational efficiency of employment services due to the lessened competition effects of inherently favouring larger providers.

This could be to the detriment of services for groups such as the homeless, whom often require highly specialised and targeted assistance, especially those homeless persons in regional and rural settings that may not be able to realistically access a provider that is large enough to supply all employment services.

Recommendations

- JPET should be retained as an individual program, potentially to be reallocated under the Federal Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).
- Although it has been announced that several services will be brought together under the one contract, the government should enable the funding process to allow individual operation of exceptional and unique programs, or specialised services in locations that have exceptional circumstances (rural and remote communities).