



# Homelessness Australia

*Creating a framework for ending homelessness*

Submission to the Review of Employment Services

February 2008

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## About us

- Homelessness Australia (HA) is the national peak body for agencies providing services to people who are homeless, or at risk of homelessness.
- HA has 500 current financial members, and through our networks we represent more than 1,000 Supported Assisted Accommodation Program (SAAP)<sup>1</sup> agencies and others who work with and for homeless people.
- Our policy work is guided by three reference groups which provide advice about key issues and represent different parts of the homelessness sector. They are the:
  - Women's Services Network (WESNET);
  - National Youth Coalition for Housing (NYCH); and
  - Council to Homeless Persons Australia (CHPA).

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• <sup>1</sup> SAAP is the major programmatic response to homelessness in Australia and is administered by the Department of Families, Housing, Communities and Indigenous Affairs. SAAP agencies provide a range of services including case management, referral in addition to crisis and transitional housing for people experiencing homelessness.

## **Submission to the review of employment services**

HA welcomes the Minister for Employment Participation's announcement of a review of Employment Services, and is optimistic this review will lead to policy and service provision changes that will deliver better outcomes for people in the employment support system who are experiencing or at risk of homelessness.

HA advocates for a holistic response to homelessness, and recognises the significant role that flexible and responsive employment participation policy and programmes can play in enabling greater social and economic inclusion of people experiencing or at risk of homelessness.

Many people who are homeless face extreme barriers to employment. HA is concerned that these barriers have been compounded by unintended consequences of the Welfare to Work policy and by aspects of its implementation including imperfect identification and referral of homeless people in the income support and Job Network systems and inadequate provision of specialist support services.

There are however examples of best practice that could be further developed to better assist people experiencing or at risk of homelessness to navigate the employment support system.

Flexibility, personalised support and an incentive-based approach are priorities in this regard. It is HA's view that stable housing is a necessary pre-requisite for meaningful involvement in education, training or paid work.

### **1. Early intervention to prevent long-term welfare dependency**

Early intervention to prevent long-term welfare dependency of people experiencing or at risk of homelessness requires a holistic response to homelessness. HA has previously provided the Minister with a copy of *The Way Forward - 12 Policy Recommendations for Responding to and Reducing Homelessness*. This document contains several recommendations for early intervention to prevent homelessness. These include expansion of affordable housing options, anti-domestic violence education programs, and increased availability of mental health and chemical addiction services. These recommendations will be fed into the consultation process for the Government's Green and White Papers on homelessness.

## **1.1 Prevention**

Reconnect and HOME Advice are existing programs that effectively prevent a period of homelessness from becoming a 'revolving door' of instable housing, poverty and social dislocation. Reconnect supports young homeless people to reconcile with their families and to reconnect with employment, education and training options. HOME Advice supports families at risk or experiencing homelessness with budgeting and referral to specialist services including employment services where appropriate.

HA recognises the value of these programs in assisting people experiencing and/or vulnerable to homelessness to become more work-ready, and avoid the long-term welfare dependency that is characteristic of chronic homelessness; and therefore recommends their national expansion.

## **1.2 Identification of homeless people in the income and employment support systems**

People who are homeless or at risk of homelessness may not disclose this to Centrelink, PAGES or providers of pre-employment support. This can be due to the stigma of self-identifying as homeless, or to misapprehensions about the purpose of various tools (including the Job Seeker Classification Instrument and Job Capacity Assessment) used to classify jobseekers, fear of losing payments in particular Rent Assistance as a result of disclosure, and limited ability or willingness to engage with government agencies especially where there is a history of trauma or mental health issues.

A benchmark 2002 study<sup>2</sup> of 135 Newstart recipients who were homeless and residing in SAAP accommodation at the time of interview found 30 per cent did not disclose their homelessness when applying for a Centrelink administered payment, and only 60 per cent advised Centrelink when they became homeless once they were already in receipt of a payment. In addition the study (2002:27) found "significant under-reporting" by interviewees of factors relating to homelessness, where a complete assessment would have resulted in "substantially higher JSCI scores and referral to JSCI Supplementary Assessment".

While the JSCI has been refined since 2002, HA believes further modification would decrease the number of people who are not identified as homeless in the

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<sup>2</sup>Parkinson, Sharon and Michael Horne 2002. Homelessness and Employment Assistance. Hanover Welfare Services, Melbourne: prepared for the National Homelessness Strategy, FaCSIA.

employment support system. Clearly, appropriate identification is a pre-requisite for appropriate referral and support.

### 1.2.1 The Job Seeker Classification Instrument

Recommendations relating to the JSCI include:

- There is limited current information available about the extent and impact of misclassification of people experiencing homelessness. HA recommends further cooperative investigation of this issue by Centrelink, DEEWR, FHaCSIA, and SAAP and other community agencies to ensure a fuller evidence base for policy and practice that will support people who are homeless people to navigate the employment support system with more successful outcomes.
- The JSCI should acknowledge tertiary homelessness (that is, living in housing that fails to meet accepted minimum community standards and lacks security of tenure – such as long-term residence of boarding houses or caravan parks) in addition to primary and secondary homelessness, in order to recognise the spectrum of homeless experiences. Tertiary homelessness could be weighted lower on the JSCI than secondary or primary homelessness.<sup>3</sup>
- The JSCI could usefully include questions that identify whether an interviewee has past as well as a current experiences of homelessness, to indicate the ‘chronic’ nature of their homelessness.
- Supplementary Assessments or revised JSCI tests should be automatically triggered if a Centrelink/PAGES customer has: frequent change of address recorded on their files, multiple records of medical incapacity, or is known to be living in emergency, temporary or inadequate housing.<sup>4</sup>
- Rent Assistance or equivalent should be guaranteed to people who are homeless as a result of losing rental housing while seeking work.
- Continued upskilling of PAGES/Centrelink customer service staff to understand homelessness and appropriate responses to clients at risk or experiencing homelessness.
- Appointment times for people with high JSCI scores should be expanded in recognition of their often complex needs.
- Participating SAAP agencies report that the Centrelink Community Officer program, in which Centrelink Service Officers visit SAAP and other agencies to speak directly with homeless clients, is of great benefit to

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<sup>3</sup> For Chamberlain and MacKenzie’s widely used definitions of primary, secondary and tertiary homelessness, see Chamberlain, C and MacKenzie D 1992 ‘Understanding contemporary homelessness: Issues of definition and meaning’ *Australian Journal of Social Issues* 27(4):274-279

<sup>4</sup> Parkinson, Sharon and Michael Horne 2002. Homelessness and Employment Assistance. Hanover Welfare Services, Melbourne: prepared for the National Homelessness Strategy, Commonwealth Department of

service users in understanding their obligations and rights while dealing with Centrelink/PAGES. The closer relationships built between clients and Centrelink is also of benefit in encouraging greater disclosure of relevant personal factors.

- Continued training for SAAP workers to better understand the employment assistance system and communicate accurate information to their service users.

## **1.2 Data collection**

Centrelink/PAGES do not currently collect centralised data about the number of people experiencing or at risk of homelessness while in contact with these agencies.

If this data was collected and shared, agencies would be better able to support people experiencing homelessness to navigate the income, pre-employment and employment support systems.

## **1.3 Enhanced support at crisis points - The Crisis Payment**

Certain personal transitions increase vulnerability to housing loss. These include leaving home as a result of domestic or family violence and leaving state care or prison. HA has received consistent feedback from member agencies that suggests Centrelink's "crisis payment" is inadequate to the needs of many people who are at risk of homelessness as a consequence of these extreme personal circumstances. A reassessment of crisis payment levels, along with improved early referral on exit from institutions, would provide greater protection against homelessness and assist homeless job-seekers to engage productively with employment assistance providers.<sup>5</sup>

## **2. Employment services relevant to the circumstances and needs of disadvantaged job seekers**

### **2.1 Appropriateness and meaningfulness of activity tests for people experiencing or at risk of homelessness**

Activity tests should not be applied in a way that affects efforts to resolve homelessness.

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<sup>5</sup> For more information see Hartley, C. and Baraka, E. November 2007, 'Nothing more than chicken feed'. Homeless Person's Legal Service/ Public Interest Advocacy Centre, Sydney.

At present, social security guidelines allow that in determining whether to grant an exemption for homelessness, it may be appropriate to apply activity tests where homelessness is “temporary” or to reduce a person’s requirements to a level they are able to meet. It is however unclear how this is put into practice by Centrelink. HA recommends further investigation of this area.

## **2.2 Appropriateness of the social security compliance framework**

HA is concerned the social security compliance framework, particularly 8 week non-payment periods, places people at greater risk of homelessness, and can compound the difficulty of resolving homelessness including obtaining work where appropriate.

Research from the University of New South Wales’ Social Policy Research Centre<sup>6</sup> found that 30 per cent of people who underwent an 8 week “breach” lost their accommodation or were forced to move to less appropriate housing. The Department of Education, Employment and Workplace Relations does not collect data on outcomes for people whose payments are stopped for 8 weeks. However various studies by not-for-profit agencies<sup>7</sup> have found that greater financial strain, forced move to less desirable housing, difficulty paying utility bills and purchasing basic items, are common outcomes for people who undergo 8 week breaches.

HA recommends that:

- Participation failures (“breaching”) resulting in temporary cessation or suspension of payment should not be imposed on clients who are homeless or at significant immediate risk of homelessness.

### **2.2.1 The vulnerability indicator**

At present Centrelink and job network providers can apply a “vulnerability indicator” where people are homeless or at risk of homelessness.

It is not clear how consistently the indicator is applied in practice. HA recommends that the implementation of “vulnerability indicator” be reviewed to assess its impact on people experiencing homelessness.

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<sup>6</sup> Eardley, Tony, Jude Brown Margot Rawsthorne, Kate Norris and Liz Emrys 2005:xiii. *The Impact of Breaching on Income Support Customers*. Social Policy Research Centre: University of New South Wales.

<sup>7</sup> See for instance the Salvation Army’s *Stepping into the Breach*, online at [www.salvationarmy.org.au/salvwr/\\_assets/main/documents/breaching/salvobreachreportfinal.pdf](http://www.salvationarmy.org.au/salvwr/_assets/main/documents/breaching/salvobreachreportfinal.pdf)

Where a vulnerability indicator has been raised the onus should be on Centrelink/PAGES staff to refer the client to appropriate specialist social services and to ensure breaches are not applied.

### **2.3 Communicating the compliance framework**

People experiencing homelessness may not understand the compliance framework, or the reasons they have been breached. This can be due to transience, having no fixed address at which to receive mail, mental and physical health issues, limited command of English for some non-native speakers, and the complex bureaucratic language of Centrelink's formal letters.

- HA's view is that no breaches should be made or recommended by PAGES until Centrelink/ PAGES has ensured the communication is delivered. In view of the difficulty of contacting this client group, strategies could include using registered mail, hand-delivering where possible, or communicating face-to-face including through the Centrelink Community Officers program.
- Providers should make information available in appropriate community languages.

### **2.4 Changes to the compliance framework**

In recognition of the unintended negative consequences of the current compliance regime on homeless people and those at risk, HA recommends:

- The extension of exemption from participation requirements from 16 to a minimum of 52 weeks for women leaving situations of domestic violence.
- Granting of "independent" status to young people in receipt of social security payments including Youth Allowance irrespective of their age.
- Granting immediate eligibility for social security payments to recently arrival migrants, asylum seekers and TPV holders on arrival in Australia.

### **2.5 Impact of Welfare to Work**

HA is concerned that the 2006 Welfare to Work reforms may have had unintended negative outcomes for people experiencing homelessness and for the agencies who support these individuals and families.

As the reforms significantly tightened eligibility and participation criteria for various payments, they may have placed more burdensome requirements on

people experiencing homelessness, further undermining attempts to resolve the housing situation and address other issues which impede ability to work.

HA recommends a review of the eligibility and compliance framework changes introduced under Welfare to Work.

## **2.6 Specialist services and support**

HA would welcome a commitment from Government to review and expand the Personal Support Program (PSP), the Job Placement and Employment Training program (JPET), Community Development Employment Program (CDEP) and other specialist programs including short-term vocational exposure training for long-term homeless and unemployed people in SAAP agencies.

PSP is the most appropriate pre-vocational service for many people experiencing homelessness. The wait list for this capped program currently exceeds 15,000 people. Expanding PSP will support homeless people to re-engage with social services including pre-employment support, reducing the likelihood of their return to homelessness.

SAAP agencies provide a range of support to clients, including with job search, and could do more if they were supported to do so. Outreach once clients leave refuges is a priority in supporting clients to maintain their engagement with social services and support, but is unfortunately beyond the capacity of many SAAP agencies at current levels of funding.

## **3. Performance management principles for quality service delivery**

HA is concerned that excellent pre-vocational programs including JPET and PSP may have lost their focus on assisting the most vulnerable and marginalised people as a result of the “incentive payments” system. This discourages providers from working with the most difficult clients. HA would welcome ongoing dialogue with Government about developments in this area.

## **4. Links with other policy areas**

Areas where cross-over with other policy areas create opportunities for positive employment outcomes include:

- Lack of affordable housing means a high proportion of people are homeless or marginally housed when they leave SAAP. This jeopardises their employment and community participation opportunities.
- Ensuring availability of affordable housing in areas of high unemployment will help to ensure people are not breached for their reasonable reluctance to move to areas of high unemployment where there are limited housing options.
- Employment options for people who have been homeless are often low-income and casual in nature. Low minimum wages and lack of job security can contribute to a 'revolving door' of homelessness.
- Provision of affordable childcare will assist low income families and single parents to participate in the workforce.

The views of the homelessness support sector in relation to these areas will be fed into the Green and White Papers on Homelessness.

In recognition of the multi-faceted nature of homelessness, HA is pleased that the issue of employment participation will be considered alongside other policy and program areas affecting the life chances of people experiencing and at risk of homelessness.