



Rights, Responsibilities & Reform

Cassandra Goldie

CEO, Australian Council of Social Service

National Association of Community Legal Centre Conference, Hobart

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...Australia risks facing similar problems currently being faced by Europe and the US if the wealthy don't say "we will shoulder some of societal responsibility"...The economic rents of capitalism are disproportionately cascading towards a smaller and smaller section of the community - of which I happen to be one - and we need to shoulder our share of the responsibility, and give back to the country that has made us so prosperous.

Mark Carnegie, Investment banker
Tax Forum 2011

How do we raise enough revenue to pay for services and support the social safety net? And how do we do this in a way that allows the size of the overall economic pie to grow?

**Jennifer Westacott, CEO
Business Council of Australia
Tax Forum 2011**

‘...for the next 10 to 15 years is that the issue will not be 'stop the taxes' or 'stop the boats', it will be 'stop the welfare system...government spending and transfer payments will rise from 35 per cent of the nation's annual gross domestic product (GDP) to 45 per cent. 'It is a crisis,'

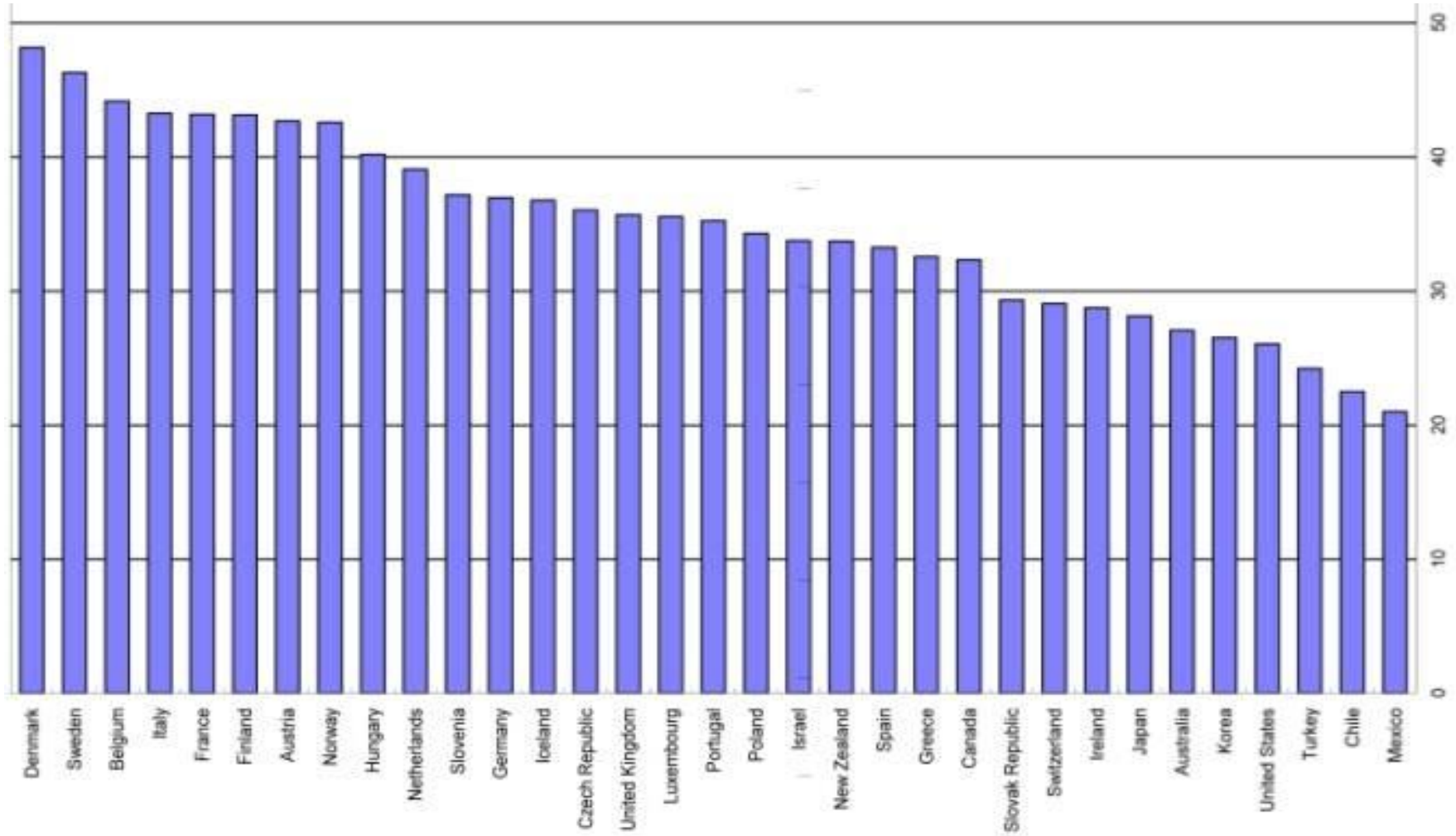
**Greg Smith, Member
Henry Tax Review Panel**

‘...the government recognises the need to fund a 'first-class social safety net ‘... while balancing the budget’

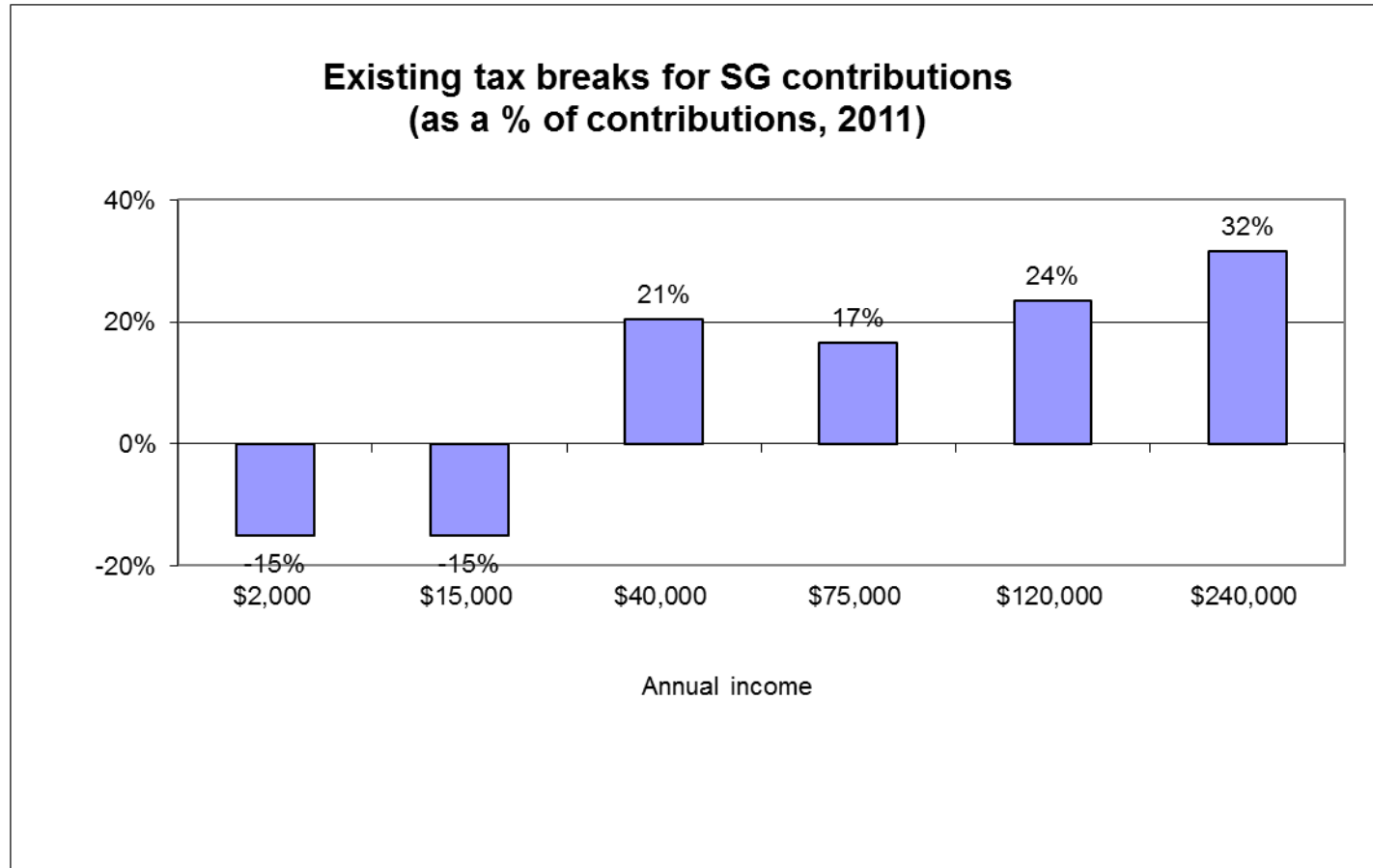
**Wayne Swan
World's Best Treasurer**

“To the maximum of our available resources”

Australia’s Tax Revenue as % of GDP is 6th lowest in the OECD

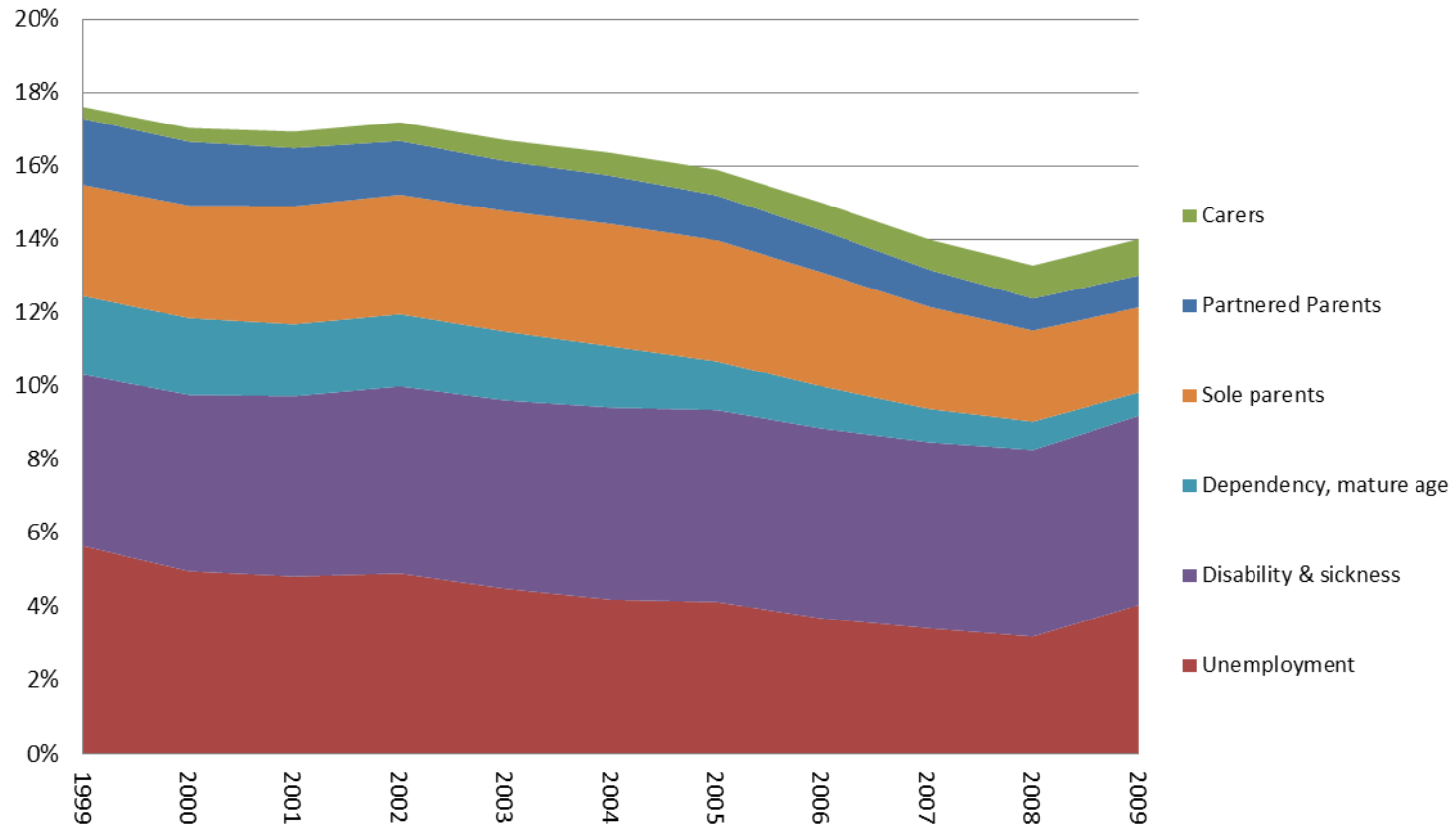


50% of the \$15B tax breaks for superannuation contributions go to the top 20%



Reliance on social security for people of working age has been *falling!!*

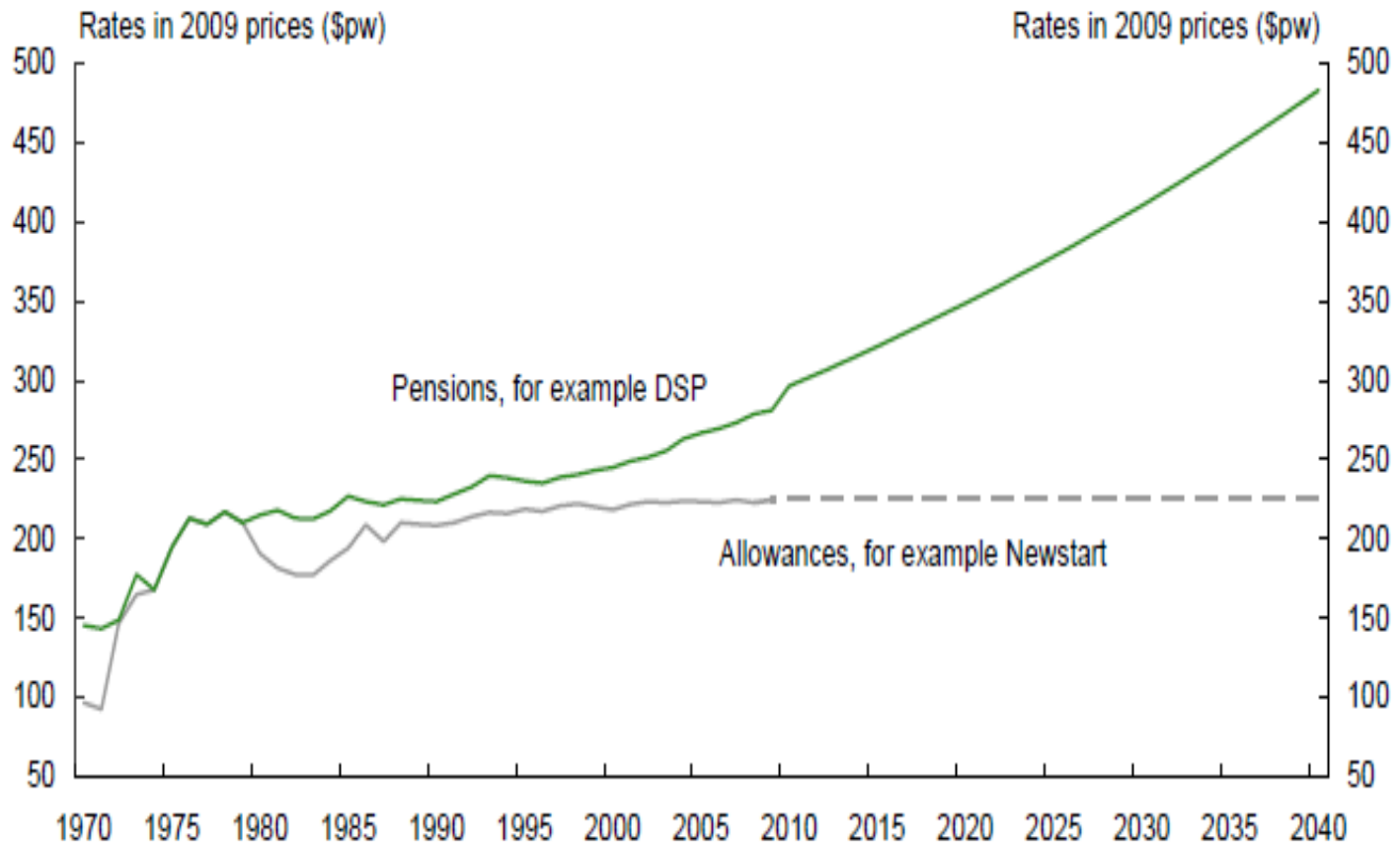
Reliance on working age income support payments (% of population)



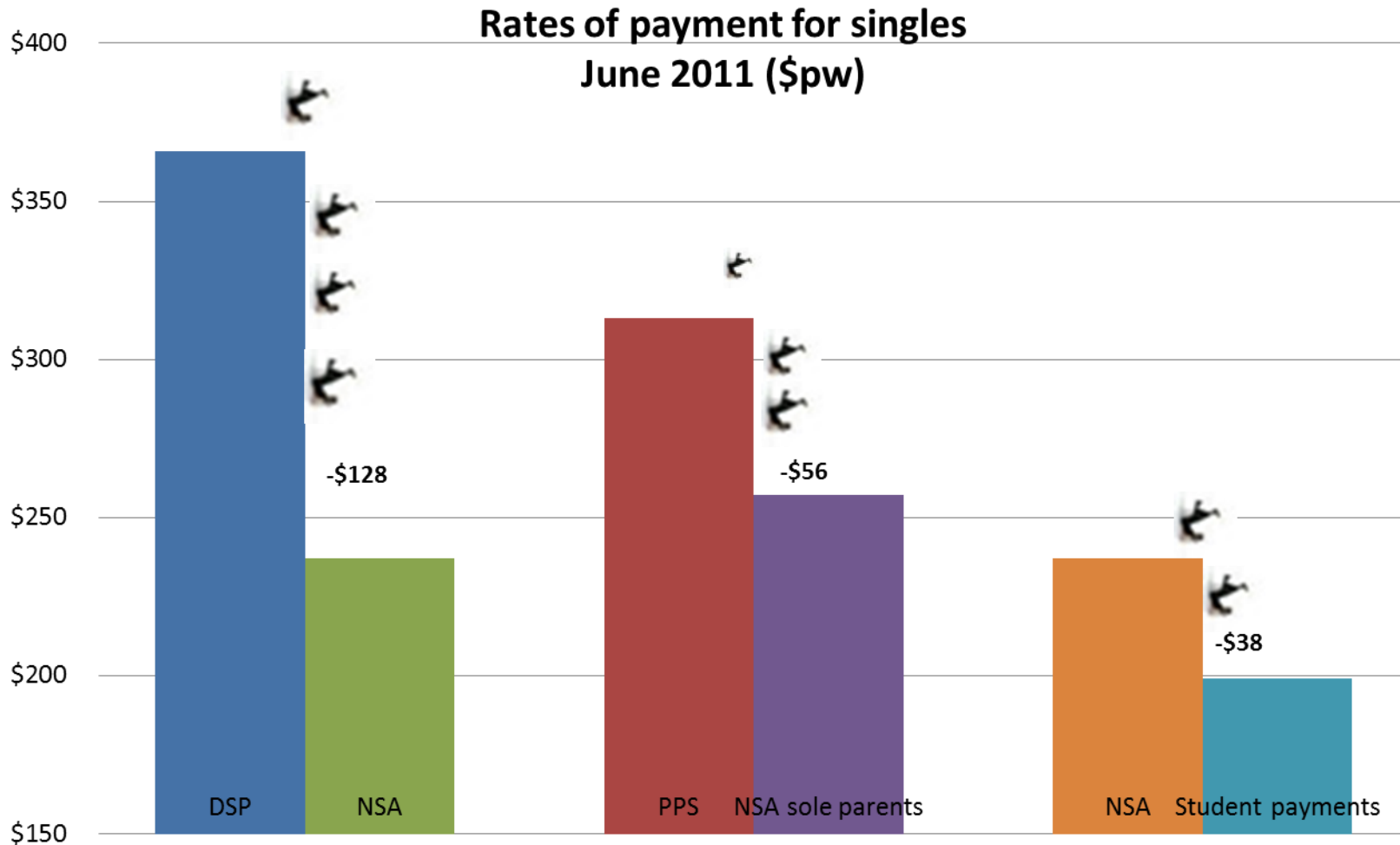
A window in: the life of someone who is 'unemployed'

- Most people receiving the Newstart Allowance are long-term recipients
- One in six can only work part time due to a disability
- One in three is 45 years old or over
- Two thirds of long term recipients have less than Year 12 qualifications
- One in 10 NSA recipients is of Indigenous background
- Almost one in fifteen is a sole parent

Real value of pension and allowance payments for a single adult (in 2009 dollars)

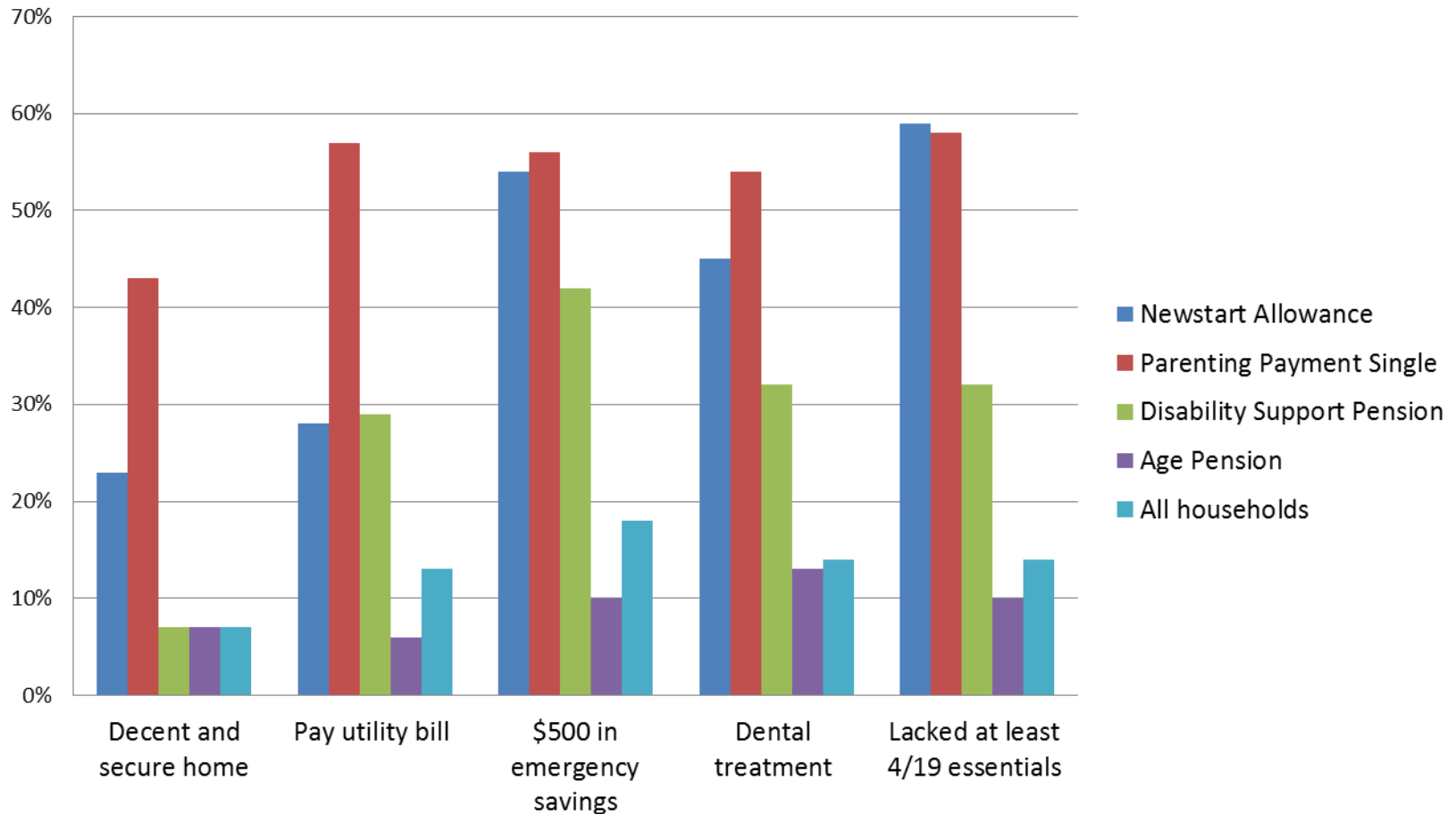


Key payment gaps



Who's struggling on income support?

Incidence of deprivation among social security recipients (2006)



Responsibilities?: Models of Conditionality and Income Management

Child Protection Measure (CPM) in parts of Western Australia, and throughout the Northern Territory, where participants are referred by other agencies (70%)

Voluntary Income Management (VIM) in parts of Western Australia, and throughout the Northern Territory, where people can choose to be managed. It now also covers those Northern Territory recipients who were previously under the compulsory version that covered 73 communities as part of the NTER Response (50%)

Vulnerable Welfare Payment Recipient Measure throughout the Northern Territory, a new definition that can be applied at the discretion of Centrelink officers (50%)

New Model of Income Management throughout the Northern Territory, compulsory for a range of people on specific income support payments for three months if under 25 years old, or twelve months if aged 25 years or more. This model offers exemption to recipients who can prove they meet certain criteria.

Cape York Welfare Reform, in Cape York area only and outside the Northern Territory

Place-based trials in Bankstown, Logan, Rockinghampton, Playford, Greater Shepperton (CPM, VIM and Vulnerable Welfare Recipients)

Extract from ERA, Women's Experiences of Income Management (2011)

Problems with present system

Unfair

- People in similar circumstances are treated differently
- Those in greatest need are often on the lowest payments, which are below the poverty line
- Activity requirements, conditionality and income management is highly variable

Inflexible

- Fear of loss of a higher, more secure payment discourages transitions to paid work
- Payment boundaries require constant surveillance and adjustment

Complex, lacking a clear mission

- Focus on categorisation and gate-keeping rather than individual help with life transitions (esp. to employment)

Rights and responsibilities: A critical turning point

- What is the **government's responsibilities** to provide minimum levels of subsistence?
- What is a **person's rights and responsibilities** in return for providing these supports?
- What is the **right balance** between rights and responsibilities under our social contract?

International Human Rights Obligations

Art 9 ICESCR: The Right to Social Security

The States Parties to the present Covenant recognize the right of everyone to social security, including social insurance

General Comment on the Right to Social Security (2009)

The right to social security includes the right not to be subject to arbitrary and unreasonable restrictions...

Qualifying conditions for benefits must be reasonable, proportionate and transparent. The withdrawal, reduction or suspension of benefits should be circumscribed, based on grounds that are reasonable and subject to due process

They must comply with principles of human dignity and non-discrimination

Reasonable limitations on the right to social security must be for a **legitimate purpose, proportionate and the least restrictive measure necessary to meet that purpose**

International Human Rights Obligations

Art 6 ICESCR: The Right to Work

The States Parties to the present Covenant recognize the right to work, which includes the right of everyone to the opportunity to gain his living by work which he freely chooses or accepts, and will take appropriate steps to safeguard this right.

General Comment on the Right to Work (2006)

Work as specified in article 6 of the Covenant must be *decent work*

The Committee recalls the principle of non-discrimination in access to employment by persons with disabilities enunciated in its general comment No. 5 (1994) on persons with disabilities. “The ‘right of everyone to the opportunity to gain his living by work which he freely chooses or accepts’ is not realized where the only real opportunity open to disabled workers is to work in so-called ‘sheltered’ facilities under substandard conditions.”

States parties must take measures enabling persons with disabilities to secure and retain appropriate employment and to progress in their occupational field, thus facilitating their integration or reintegration into society

Australia's Review by the UN (2009)

The Committee is concerned that the social security system in the State party does not ensure universal coverage and that the insufficient amount of certain benefits does not provide an effective income support system. The Committee is concerned that existing conditionalities for the payment of benefits have a negative impact on disadvantaged and marginalized individuals and groups.(art.9)

The Committee recommends that the State party take additional measures, legislative or otherwise, to ensure universal coverage of the social security system so as to include asylum seekers, newly arrived immigrants and indigenous peoples. The Committee also recommends that social security benefits, including unemployment benefits, old age pensions and youth allowance enable recipients to enjoy an adequate standard of living. The Committee strongly recommends that the State party review conditionalities such as “mutual obligations” in the welfare to work programme and the “quarantining” of welfare payments under the Northern Territory Intervention that may have a punitive effect on disadvantaged and marginalized families, women and children. The Committee further recommends that the State party consider ratifying ILO Convention No. 102 on minimum social security standards.

Rights and responsibilities: The right balance for people with disability?

Within the federal public service itself, the proportion of people with disability is even lower now than it was 20 years ago. For those of you who haven't had time to catch up on your reading of Senate Estimates transcripts, let me quote myself at the most recent hearings:

Public *I do think 'massive fail' is the absolutely correct expression. The efforts of the Service in this area have been, and I have described them this way before, shameful. The government cannot go out and try to sell employment of people with disability to the private sector, if they are not performing in that area themselves.*

Graeme Innes
Disability Discrimination Commissioner
September 2011

Reform