



AUSTRALIAN UNEMPLOYED WORKERS' UNION

Mutual Obligation: Independent job seeker Satisfaction Survey

January 2020

Dr Simone Casey, Volunteer Policy Advisor

Abstract

Mutual obligations are meant to be a tool to ensure that jobseekers are meaningfully engaged in the process of seeking employment, but as can be seen from this submission, they have evolved to become a blunt tool to punish welfare recipients, trapping them in a hopeless cycle of pointless administrative box-checking in a job market with far more jobseekers than vacancies. Potentially life-ruining sanctions can be applied for the smallest infractions, left entirely up to the discretion of their Job Service Provider – a billion dollar industry that does very little to help people into employment

Contents

Introduction.....	2
What are ‘Mutual Obligations’?	2
Recommendations	3
Job Search.....	4
Job search support	4
Provider Appointments	5
Verbatim Comment – provider appointments.....	5
Work for the Dole.....	6
Verbatim comments – Work for the Dole.....	6
Work for the Dole - Safety.....	7
Funding for employment goals	8
Verbatim Comments – funding for employment goals.....	8
Payment suspensions and the Targeted Compliance Framework.....	9
Verbatim Comments – payment suspensions.....	9
Payment Cancellations	10
How did they survive without Newstart?.....	10
Verbatim comments – payment cancellations.....	10
Complaints and the Right to Social Security Review.....	11
Concern about digitisation	12
The United Nations warnings about digitisation of welfare	12
Conclusion	12
Appendix 1 - About the survey.....	14

Introduction

This is a report about the AUWU's independent survey of unemployed workers people who were subject to Mutual Obligation requirements in 2019. The survey was undertaken in November 2019 and there were 935 respondents. By far the majority of these indicated that the current Australian Mutual Obligation framework caused suffering to unemployed workers who get little help in return to the hassle of meeting the conditions.

What are 'Mutual Obligations'?

Mutual obligation is the term used in Australia to describe the activities people receiving social security payments like Newstart need to do to keep getting their payments. Mutual Obligations involve things like attending appointments with providers and other agencies, applying for 20 jobs per month to prove that they are actively job searching, and for 6-months of the year and activity like Work for the Dole (WftD) for 25 hours per week (for the under 50s).

If jobseekers fail to meet these activity requirements, they get sanctioned with payment suspensions and financial penalties now administered via the Targeted Compliance Framework.

Enhanced Activity Requirements were introduced in September 2018, so that unemployed workers under the age of 50 must now undertake 50 hours of work for the dole a fortnight for six months of the year. The results also show that in the majority of cases job seekers have very little choice in activities, and that job seekers were not listened to about what they wanted to do, and have not had access to interventions that were actually useful in helping them prepare for work.

When the basic problem facing the unemployed is recognised as the shortage of suitable jobs, there can be no justification for this poorly resourced and punitive activation this survey has substantiated.

*I AM SICK TO DEATH OF BEING FORCED TO APPLY FOR JOBS THAT I KNOW I
WILL NEVER GET! I AM SICK TO DEATH OF BEING FORCED TO ATTEND
APPOINTMENTS WITH EMPLOYMENT SERVICE PROVIDERS WHO DON'T GIVE A
FUCK ABOUT ME! I AM SICK TO DEATH OF BEING FORCED TO DO USELESS
"ACTIVITIES" LIKE WORK FOR THE DOLE PROGRAM, JOB CLUB & CERT I & II
COURSES!*

Recommendations

The survey was undertaken to influence policy discussions about Mutual Obligation in the current and future employment services models. If the function of activation requirements is to help people get jobs, and these jobs are the pathway to economic inclusion, the survey results indicate current activation settings fail. The results tell us about what aspects of current Mutual Obligations need urgent reform and that these issues need to be given priority in discussions about the New Employment Services model.

The AUWU believes the results of this survey warrant an independent review on the fairness and efficacy of Mutual Obligation requirements in Australia today. There are worrying human and social security rights violations caused by the maladministration of social security law by employment service providers.

Undertake a review of Mutual Obligation requirements to make them reasonable

Review default number of job applications required for job search requirements

Base Mutual Obligation activities on evidence about these leading to good jobs

Ensure that job seekers receive services that support them when they need getting a job

Urgently review Mutual Obligation requirements for people with disabilities in DES, applying for DSP, and or in jobactive

Ensure that job seekers can access financial support to help them complete formal education training or work preparation activities they choose to do

Suspend Work for the Dole and develop viable and quality Work Experience activities

Provide access to an effective and immediate process where the payment is restored and review of the requirements is independently assessed.

Box 1 AUWU recommendations for reform of mutual obligation processes

Job Search

Employment services are supposed to help with job search. Although most forms of job searching are relatively easy such as browsing jobs websites or email alerts, the requirements to meet the job searches targets is actually the number of job applications unemployed workers are required to provide evidence of. The survey found in the majority of cases, the number of job applications required for proof of ‘job searching’ is 20 per month.

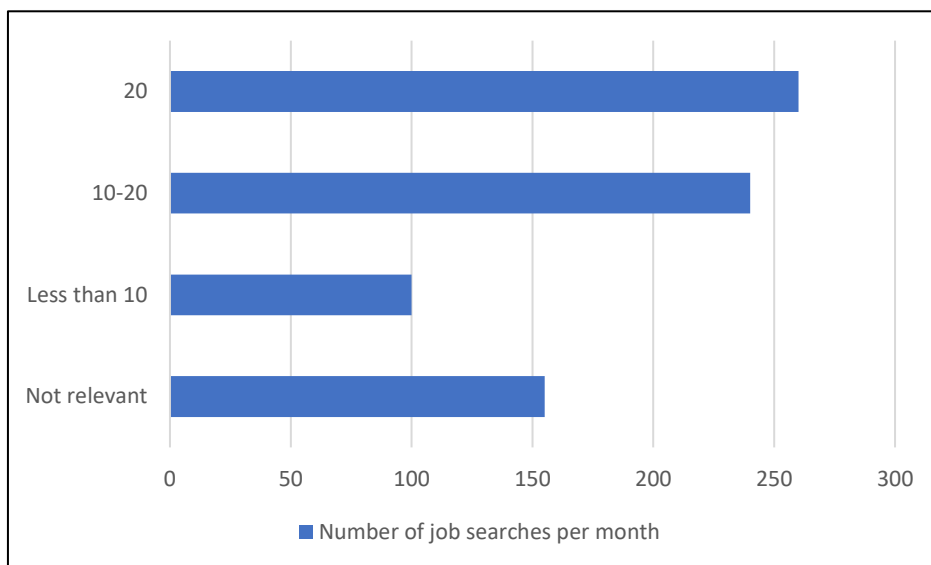


Figure 1. Participant job searches per month

Job search support

Given that unemployed workers are required to meet unrealistic job search targets, it adds insult to injury that they do not get any real help with learning how to job search or to prepare for job interviews.

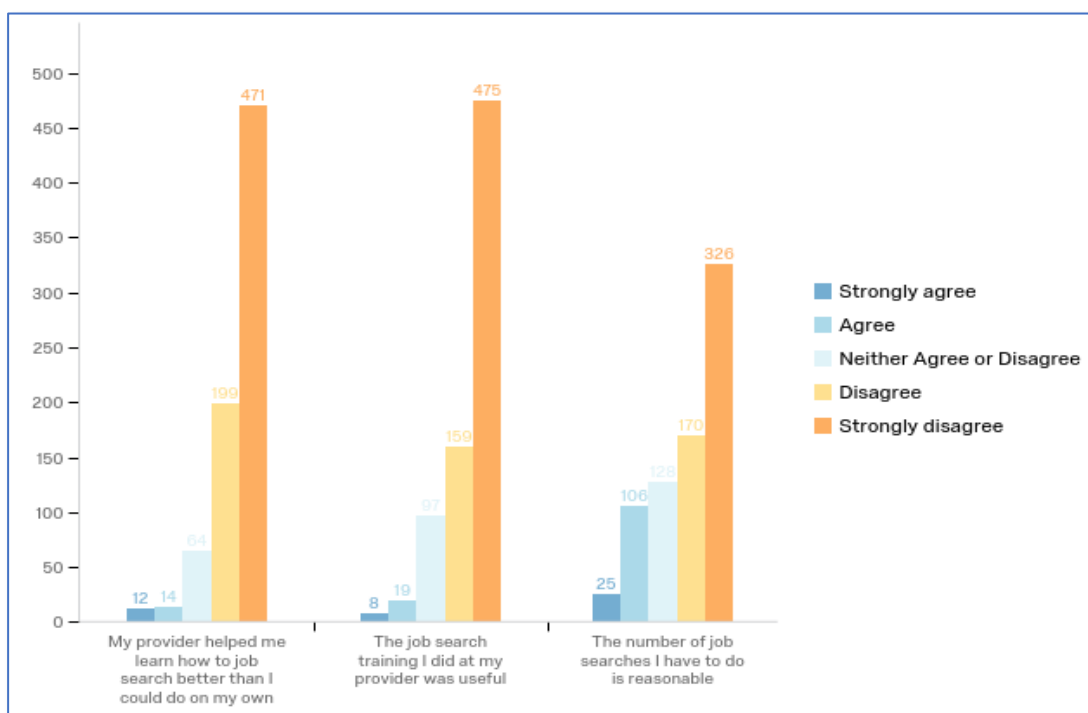


Figure 2. job search assistance

Provider Appointments

Another area of significant concern are the benefits of provider appointments. The survey results show that respondents did not feel provider appointments were useful for getting a job and that providers did not provide useful job search skills.

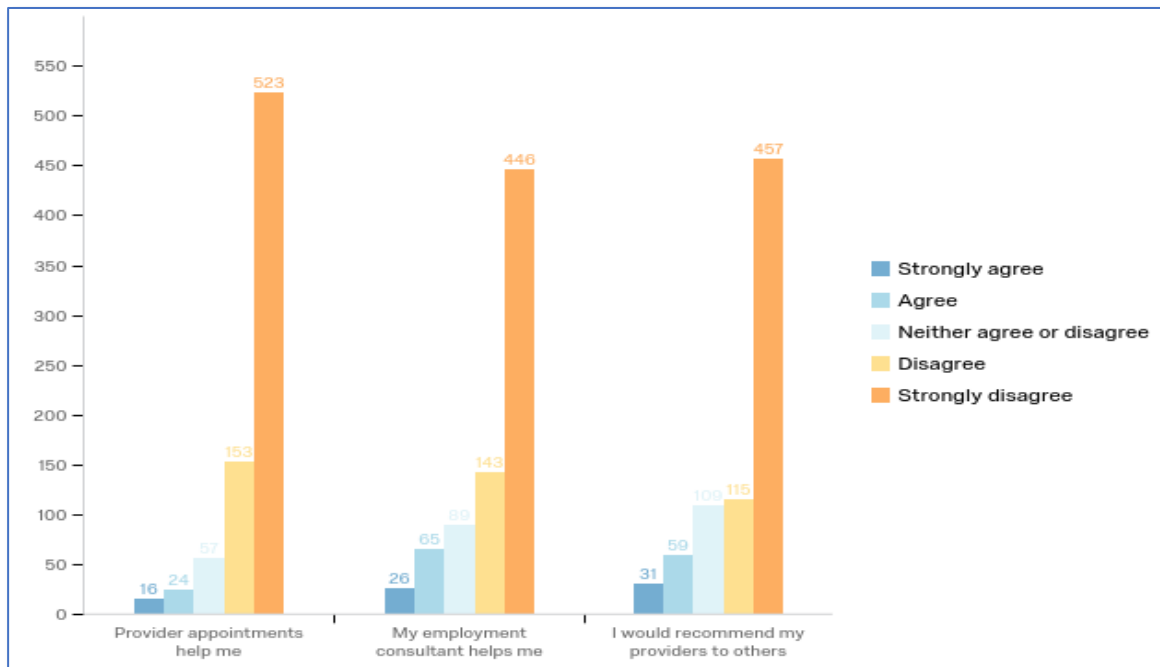


Figure 3. Provider appointments

Verbatim Comment – provider appointments

“Appointments are a waste of time, and petrol. I’ve been with 4 different providers over the last 9 years and haven’t felt helped, supported - hence the reason I am still unemployed. I had a consultant promise me to do a practice interview with me at our next appointment, but then at the appointment tell me that anything I need to know about interviews, I can find online. I’ve had appointments cancelled 5 minutes beforehand, pity it takes 20 minutes to drive to an appointment. I was with a DES for over a year, and though I have a history of working in a certain area, I told them multiple times, I didn’t want to work in that field again (bad experience), and yet, they kept referring me for these jobs. “

How many appointments do unemployed workers need to attend?

The number of appointments a jobactive provider can set for unemployed workers is a minimum of 1 per month in jobactive. However, there is nothing stopping providers from asking unemployed workers to do more, even if unemployed workers believe they are unreasonable and unhelpful. This is because Providers develop their own servicing strategies when they tender for the contracts. They might state to Dept of Employment they will do certain things at a certain point in time see people more frequently. The Act directs that these requirements be reasonable, but unfortunately this is not given a legal definition. The AUWU hears regularly from people being required to attend more frequent appointments, and to do Job Search activities requiring them to spend weeks in provider’s offices.

Work for the Dole

One of the main activities, Work for the Dole, coerces the unemployed to participate in unpaid work at community run organisations. The main issues with WftD are that it is poorly resourced and does not provide any meaningful work experience. It also does not provide choice or empowerment or improvements to the employability of unemployed workers. Repeated studies have shown it does not lead to improved labour market outcomes.

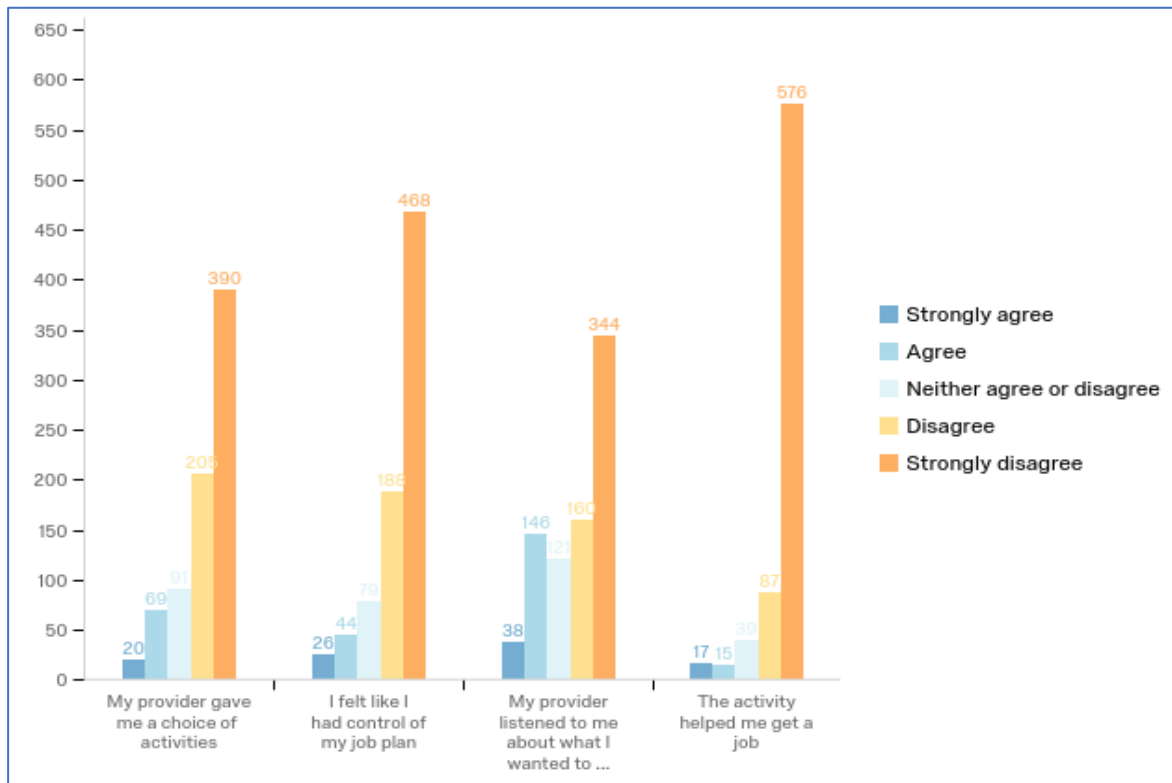


Figure 4. Work for the Dole

The results showed there was very little choice over activities and that unemployed workers were not listened to about what they wanted to do, and that the activities did not help them get jobs. The survey results clearly show that current Mutual Obligation requirements are not helpful and that the majority of unemployed workers do not benefit from the activities employment services require them to do.

Verbatim comments – Work for the Dole

“The project is a sham, it provides no meaningful tasks, it has at least seven participants, the project is supposed to be a gardening project. This project takes place in the back yard of a house and on the cheap. Donated plants, clay soil, huge sods of it that appear to have come from a construction site. Second-hand equipment, no gloves supplied... unless you are prepared to use pre-worn. It is a disgrace, nothing less than a sham.”

“My work for the dole experience gave me such anxiety that I developed heart palpitations and my job provider just told me I was being over dramatic!! We weren’t given jobs to do just forced to sit in a basement doing nothing all day.”

Work for the Dole - Safety

Since the tragic death of Josh Park-Fing there have been increased levels of risk assessment of WftD activities, but this has not been sufficient to prevent injuries and accidents. The AUWU speaks to people on its hotline often who have been injured at WftD activities and who have no recourse to compensation, as it is not covered by WorkCover. Even worse, we hear from people being forced back into WftD activities that are like those they were injured at. In the verbatim comments on the survey, there was evidence that unemployed workers are required to participate in WftD activities that are unsafe and unsuitable.

“I was injured on a work site while participating in a work for the Dole activity. Every cost that I have had to incur for my ongoing recovery from that injury no matter the amount had to be paid by me...You are NOT I repeat Not covered by standard workers compensation for accident on ANY work for the Dole activity.”

“I felt that my Work for the Dole placement was inconsiderate of workers’ reasonable access to amenities, or safety (my foot went through a badly-placed piece of plywood, and the incident was disregarded). I was bullied, and mostly relegated to dusting shelves in very hot conditions, with nowhere to sit outside break times - very demoralising, and not very good for my health! The atmosphere of the place, and treatment of the workers, made us feel like juvenile delinquents.”

AUWU statement on Josh Park-Fing - 2017

In April 2016, 18 year-old Josh Park-Fing tragically died at his Government-approved WftD site in Toowoomba. Josh was forced to ride on the back of a flatbed trailer, being pulled by a tractor, without a harness. He fell off, hit his head, and died. Distraught family members and the shocked members of the public demanded answers. Minister of Employment Michaelia Cash indicated that an investigation would be carried out into the tragedy and a report would be released within a month.

Nearly four years on and the Park-Fing family, Josh’s friends, and the general public are still waiting for the report into this tragedy to be released.

Furthermore, immediately following the tragedy the Australian Unemployed Workers’ Union (AUWU) made an FOI request for the Government’s Work for the Dole risk assessment conducted for the Toowoomba site. This request has also been rejected by Minister Cash because it contained information that could “harm” NEATO – Josh Park-Fing’s job agency.

Work for the Dole is dangerous – in 2013 injuries sustained at Work for the Dole sites increased 5 times. According to a recent government commissioned report. The government cannot guarantee the safety of unemployed workers forced to attend Work for the Dole programs

Box 2: AUWU Statement of the death of Josh Par-Fing.

Funding for employment goals

The majority of respondents did not believe their provider funded the items that would have been useful for them to achieve their employment goals. We asked unemployed workers what would have been useful for the provider to help them get a job. Here are some examples of the frustration they reported at not having funding to support them.

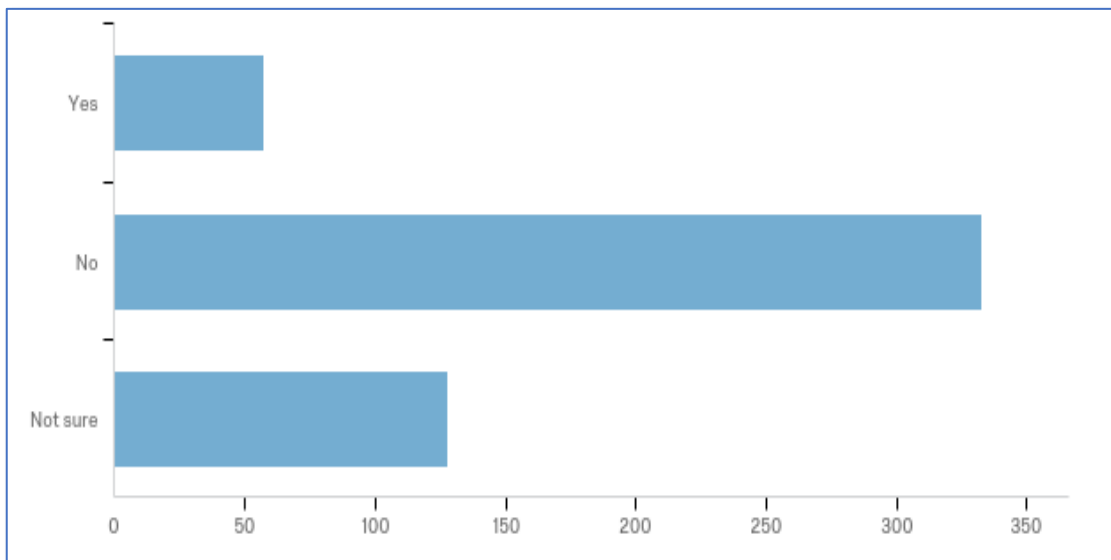


Figure 5. Funding for employment goals

Verbatim Comments – funding for employment goals

“Have been refused each time I’ve asked for assistance - petrol voucher to be able to attend interview & for clothes for interviews...disgraceful & frankly inexcusable!!”

“Glasses renewed - required for everything further than 5cm from my face. Clothing after a house fire burned all my clothes - have been told funding for an interview outfit and/or shoes and/or training etc is “only available if I am 100% guaranteed a job as a result” Have asked to do a Certificate III in Business and been told that because I have a Cert II it wasn’t necessary.”

“I would like a refund for the expenses I incurred by being referred to unsuitable job and unsuitable work for the dole by my last two providers. They kept promising the refund of my expenses, but never did so. The current provider has already stated, that they will not help me with any clothes or studies and will also not be referring me to any employers. I am therefore not sure what the purpose of seeing them is.”

Payment suspensions and the Targeted Compliance Framework

The Targeted Compliance Framework (TCF) was introduced in July 2018 and was intended to unemployed workers to meet their mutual obligation requirements and stay connected with employment services. Failure to meet MO requirements results in a payment suspension and a ‘demerit point’. If a job seeker accrues enough demerit points, they may incur harsh penalties that accrue to 1, 2 and 4 weeks of suspended payments.

Self-reporting is a core obligation within the TCF. By default, all job plans contain a code which marks the job seeker as capable of self-reporting and intentional action from the ES provider is required to remove it. ES providers must assess whether a job seeker is capable of self-reporting their attendance.

Many of these suspensions are generated in error because of the inflexibility of the hard-wired TCF rules. A recent example of this was reported in the New Daily, in where an appointment was rescheduled by a provider but the job seeker received notification of a suspension anyway. This is not an isolated example. Many of the complaints the AUWU hears about are from unemployed workers who are distressed about payment suspensions caused by the arbitrary re-scheduling of employment services appointments and requirements.

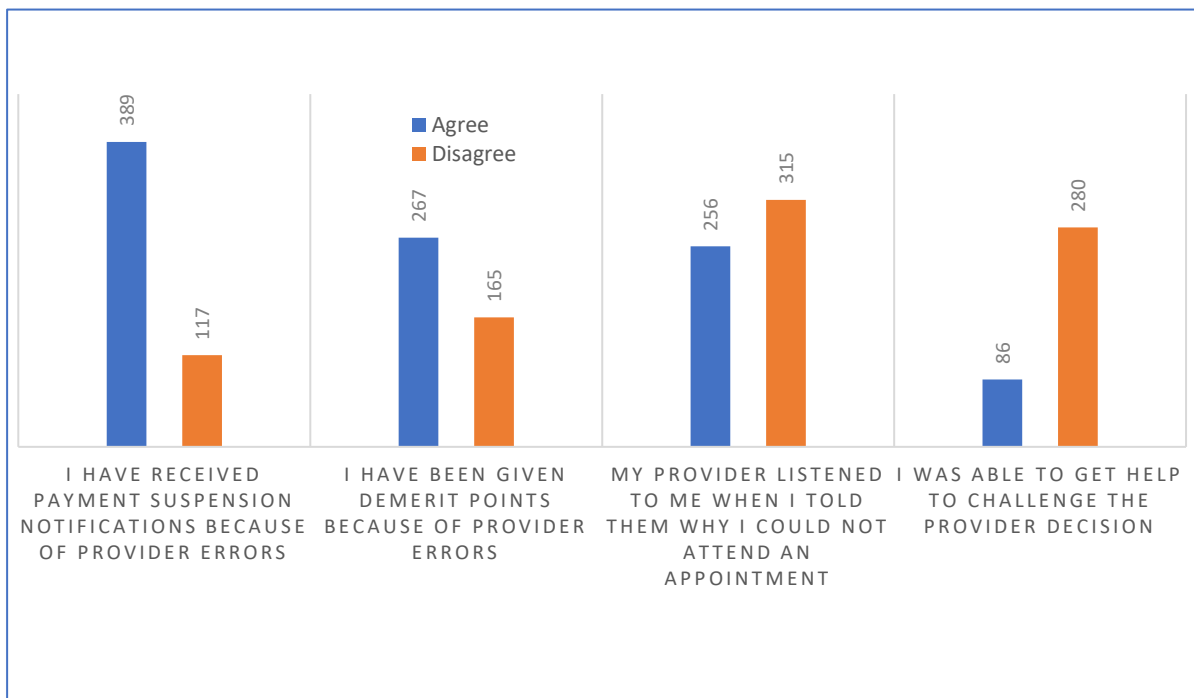


Figure 6. Fairness of payment suspensions

Verbatim Comments – payment suspensions

"I got fined for not attending an event I had proof I was at the job provided agreed with this I still lost money. I spend over 8 hours on the phone over 2 days trying to sort it out."

"I have been suspended several times in the last 12 months, even when I notified them of non-attendance. I was in the hands of a customer service officer who told me `if you don't sign, you can't get paid. I have signed under duress"

Payment Cancellations

The survey results indicate many unemployed workers received payment penalties which rather than increase their self-reliance or ‘personal responsibility’, had a number of other adverse consequences for their well-being, and their reliance on others. This is another adverse effect of onerous conditionality that has been identified in numerous academic studies.

How did they survive without Newstart?

The chart below shows the main ways in which unemployed workers coped when their payments were cancelled or suspended. Of the respondents to this survey, 84 indicated payment cancellations had led to homelessness.

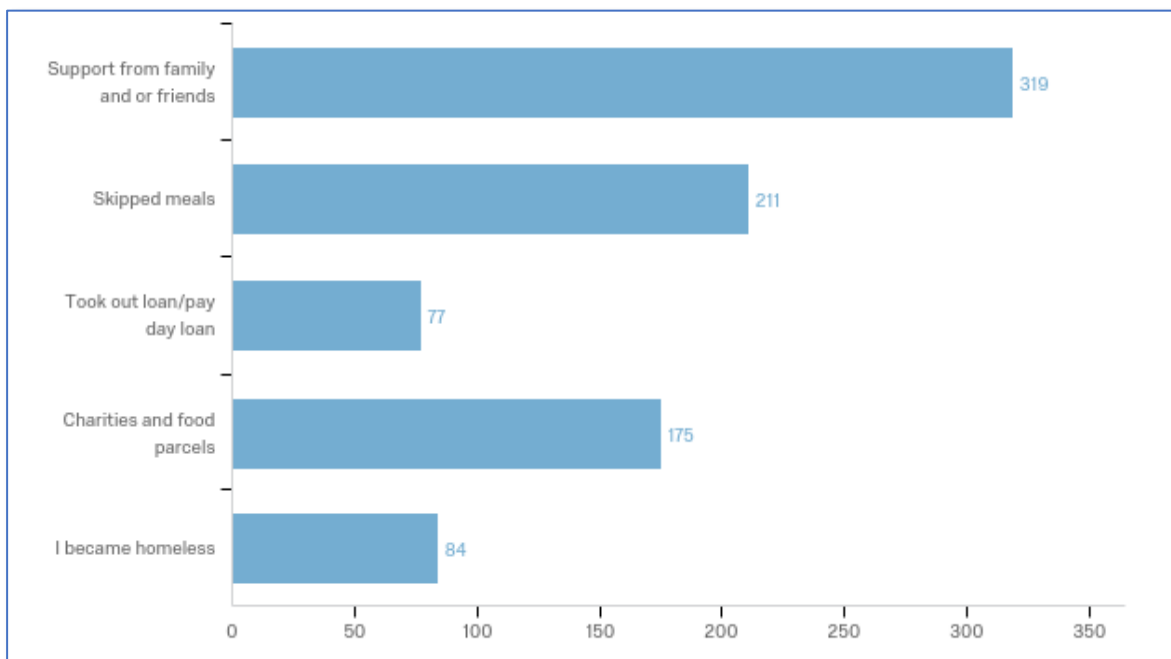


Figure 7. surviving without Newstart

Verbatim comments – payment cancellations

The verbatim comments also highlighted how disempowered unemployed workers are and what they have to do to survive ‘when their payments are cancelled.

-
- "Sell belongings, stop paying bills, didn't renew licences and tickets, cut back to bare minimum essentials."*
 - "Small amount of savings"*
 - "Used super and savings"*
 - "Sold every possession that wasn't necessary"*
 - "Used an equity facility on my mortgage and put my super into retirement mode to withdraw from it."*
 - "Used whatever I had saved to get by, skipping meals, working out which bills I could afford to not pay"*
 - "Became ill, teeth and hair fell out on account of lack of nutrition and could not afford medication"*
-

Complaints and the Right to Social Security Review

We asked unemployed workers about how easy it was to make formal complaints about employment services. The results show that information they need to make complaints is not accessible. This means that many unemployed workers do not escalate complaints because it is difficult, and that many issues related to the maladministration of social security law are not prosecuted.

"I attempted to lodge a complaint and was advised to take it up at the job agency where the only person manning the office was my job support provider. There is no accountability and Centrelink clients are passed back and forth between two agencies who have no interest in them."

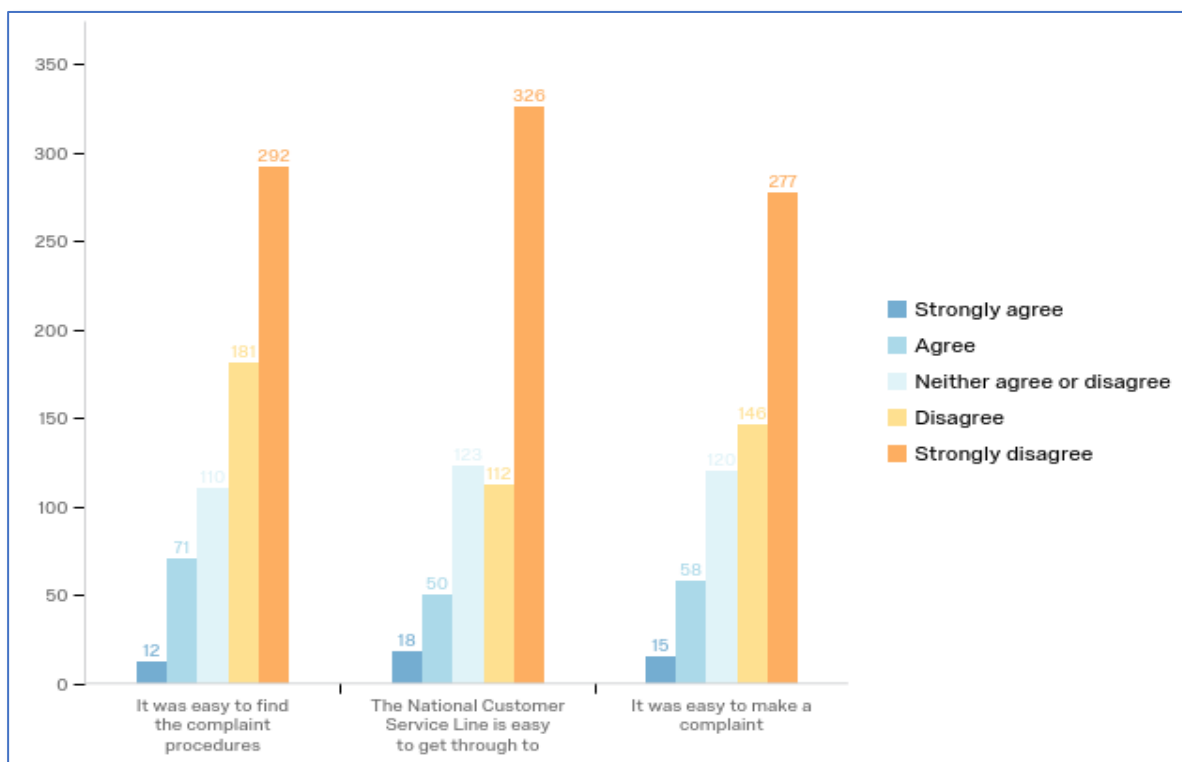


Figure 9. Complaints

It is also important to remember that payment suspensions are used to coerce unemployed workers to sign job plans, continue in activities or appointments as payments are suspended until they attend or meet the requirement. This results in unemployed workers being coerced into agreeing to unsuitable activities and demerit points go unchallenged because of this inaccessibility.

"Didn't know I could complain but doubt any of it would help anyway"

"Didn't know where to make a complaint about my provider"

"Easy to complain but no point doing it as complaint goes nowhere."

"Easy to make a complaint, but to get action or feedback it was impossible"

"Fears of retribution i.e. loss of income has a silencing effect"

"I am too stressed to fight anymore..."

Concern about digitisation

One of the informing assumptions of the New Employment Services reforms of employment services is that unemployed workers want digital services. These responses to this survey questions highlighted the inadequacy of the current digital interfaces such as jobactive on mygov or the jobactive app. They also indicated that unemployed workers would prefer human relationships over digital interfaces.

"I generally found online contacts a labyrinth. I complained online about a change in my circumstances implying my Newstart payment should be increased given my income had dropped but heard nothing back. Going into Centrelink gets more action but often you get directed to telephone. It's very difficult to work out your payment rights."

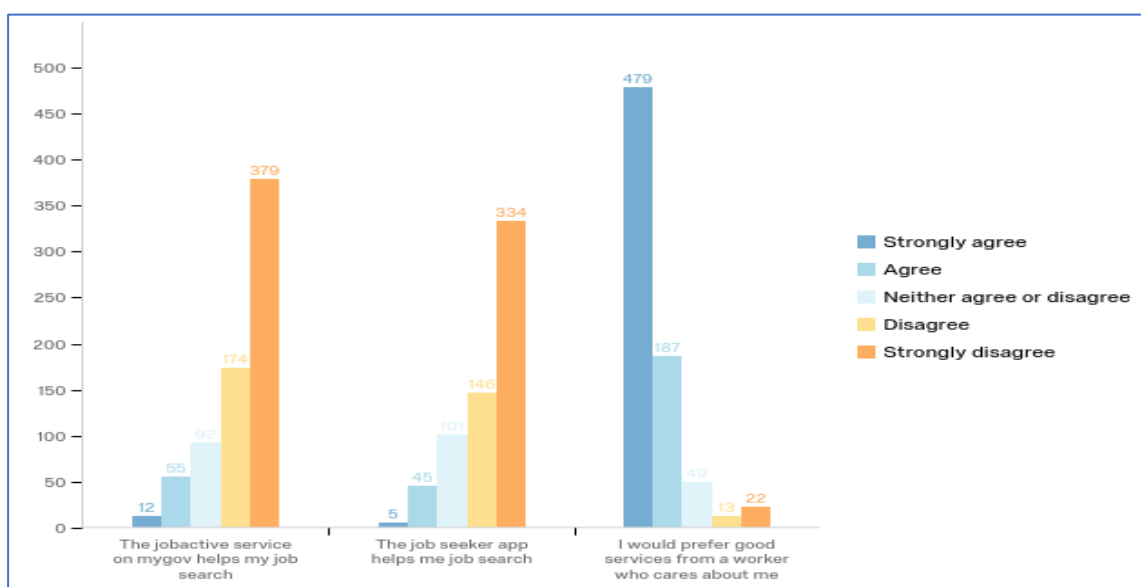


Figure 10. Digital versus face-to-face

The United Nations warnings about digitisation of welfare

The [UN Special Rapporteur for poverty Philip Alston](#) said ‘the digitization of welfare systems has very often been used to promote deep reductions in the overall welfare budget, a narrowing of the beneficiary pool, the elimination of some services, the introduction of demanding and intrusive forms of conditionality, the pursuit of behavioural modification goals, the imposition of stronger sanctions regimes, and a complete reversal of the traditional notion that the state should be accountable to the individual’.

Caution is required to ensure that the digitisation trials do not lead to greater poverty and harm because unemployed workers are unable to access social security review mechanisms, and that they can access services that aid them rather than harm them.

"Will be all of the above when I cancel the payment myself. I literally cannot meet my obligations going forward and the stress of being treated like a criminal for that may kill me."

Conclusion

I absolutely despair. I'll be cancelling my own payment in the future for my own health and the health of my career. I cannot meet my obligations because of ill health and caring responsibilities. Sooner or later every provider I have had has been aggressive to the point of driving me to suicidal ideation, or deliberately impose requirements that cannot be met (one literally gave me a 10 page list of every single working day for the next six months as on-site job search, which would have taken about 30% of my income in transport costs). I've literally been told by others I'm worthless, that work for the dole is about the best I can aspire to (I have a PhD). It's designed to break us.

The survey was undertaken to influence policy discussions about Mutual Obligation in the current and future employment services models. If the function of activation requirements is to help people get jobs, and these jobs are the pathway to economic inclusion, the survey results indicate current activation settings fail. The results tell us about what aspects of current Mutual Obligations need urgent reform and that these issues need to be given priority in discussions about the New Employment Services model.

The AUWU believes the results of this survey warrant an independent review on the fairness and efficacy of Mutual Obligation requirements in Australia today. There are worrying human and social security rights violation caused by the maladministration of social security law by employment service providers.

When the basic problem facing the unemployed is recognised as the shortage of suitable jobs, there can be no justification for this poorly resourced and punitive activation this survey has substantiated.

I find this process restructuring the very confidence one needs to enter the workforce let alone the entering at my age. I have experienced both the older style CES and job providers in my time and highly recommend a return to CES as these services are not equipped and too often can be seriously damaging to one's mental health, self esteem and ability to participate in meaningful employment or community engagement. This system is a nightmare and needs to be closed down.

Appendix 1 - About the survey

The survey questions were about mutual obligation requirements and the survey instrument and used a 5-point Likert scale where the question responses were rated from strongly agree to strongly disagree. It was distributed by email to AUWU members and on social media channels. There were 935 respondents in the period between 19 November and 7 December when we extracted the data for this headline report. Respondents were able to select more than one option for most of the questions, and this means the totals have irregular tallies. The survey responses were mainly about jobactive n=556, but there were also a significant number of responses about Disability Employment Services n=295 Work for the Dole n=179, EST= 34; ParentsNext n=14. It is also of note that an independent survey on this scale has never previously been undertaken; more individual job seekers have been consulted in this survey than in any of the McPhee consultations (Nous=9; SRC=188).

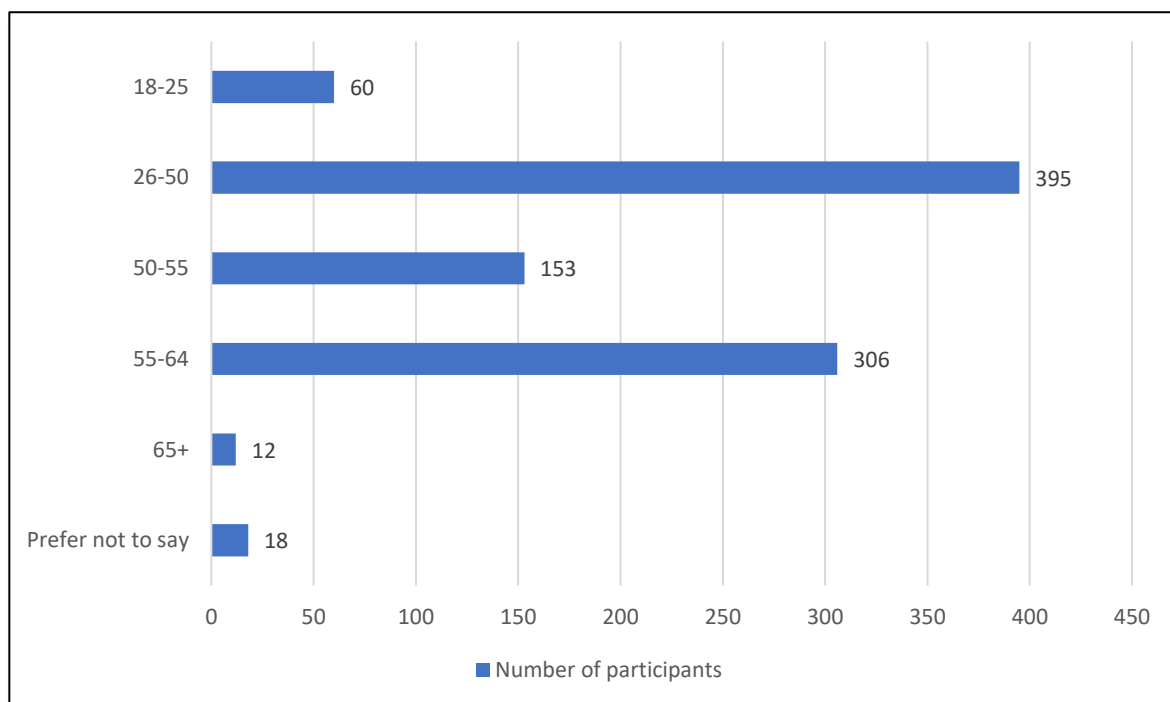


Figure 11. Age demographic breakdown