



5 August 2014

Senator Zed Seselja  
Chair  
Senate Standing Committees on Community Affairs  
PO Box 6100  
Parliament House  
Canberra ACT 2600

By email: [community.affairs.sen@aph.gov.au](mailto:community.affairs.sen@aph.gov.au)

**Re: Supplementary Submission on the *Social Services and Other Legislation Amendment (2014 Budget Measures No. 1) Bill 2014* and the *Social Services and Other Legislation Amendment (2014 Budget Measures No. 2) Bill 2014***

On Friday 1 August 2014, after we had sent our submission to the Committee, we received answers to questions taken on notice during the Department of Social Services (DSS) Budget Implementation Stakeholder Sessions. In those answers DSS stated:

*“Under the Social Services and Other Legislation Amendment (2014 Budget Measures No. 2) Bill 2014 a person taking up short term work of six fortnights or less will not have to re-serve their waiting period”.* A copy of the answers from DSS is attached.

It is unclear to us whether this means that a person who takes up work of more than 12 weeks will have to start a new six month exclusion period (rather than just serve the remainder of the original six month waiting period).

Under current rules, 12 weeks is generally the length of an “employment nil rate period”, in which payments are suspended (so that if their income drops, their social security payment can be restored without a new claim). However, a person’s payment is cancelled due after 12 weeks if their income is still over the cut off amount. This means if a person loses their job after receiving more than 12 weeks of earnings over the cut off amount, the person will have to lodge a fresh claim.

We think it is obvious that if people are required to start a new 6 month exclusion period after working for more than 12 weeks this would create a perverse disincentive to work longer than 12 weeks. It would undermine the stated aims of moving people into long term employment. It would also be extremely unfair if people are treated differently based on the duration of employment during the exclusion period.

We ask that the Senate Community Affairs Legislation Committee look into this aspect of the drafting of the Bill.

The NWRN would welcome the opportunity to provide further feedback to the Committee on our submission. Should the Committee require additional input on the issues being considered, we can be contacted on 02 8217 5389.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Maree O'Halloran', with a horizontal line extending to the right.

Maree O'Halloran, AM  
President  
National Welfare Rights Network

Att: 1