



***“An Obligation to Participate”***

***The Impact of Welfare Reform on Marginalised Families***

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**April 2004**

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## *Foreword*

*Participation is in the long-term interest of individuals and the key strategy for addressing the prospect of entrenched social and economic disadvantage. An obligation to participate will reinforce community expectations and will encourage the minority of individuals who might be reluctant to take up appropriate opportunities.*

Reference Group on Welfare Reform

This report analyses the potential impact of the *Australians Working Together Act 2003* on marginalised families. MacKillop Family Services is a major provider of specialist child and family services in Victoria. Through its founding agencies and founding congregations, it has been working with marginalised families and their children since 1854.

To be on the margins of society is to be isolated and unable to participate fully in all that a community has to offer. It means being unable to reach full human potential. While the ideals of strengthening social capital and increasing social participation espoused in recent welfare reform proposals are admirable, the reality is that the imposition of obligation is not always helpful. The continued marginalisation of families and children is an injustice, and placing further obligations on them oppresses them further and is unlikely to increase their participation in society. This study explores the implications of welfare reform for marginalised families. It finds that their circumstances will not be improved by obligation, and proposes better ways to support these families. It also offers insights into the agenda for welfare reform and suggests alternative policies.

This research has been conducted through MacKillop's Practice and Policy Unit. It brings the experiences of practitioners to the attention of policy makers.

I commend this report. It offers insight into the circumstances and difficulties surrounding the lives of marginalised families. It also offers insight into the connection between welfare and well-being and the possibilities of working together in a real context to strengthen the Australian community.

John Honner  
Director, Practice and Policy  
MacKillop Family Services  
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John Honner, Director of the Practice and Policy Unit, MacKillop Family Services, supervised the project.

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**MacKillop Family Services**

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## *List of Acronyms*

<b>AWT</b>	<i>Australians Working Together Act 2003</i>
<b>DEWR</b>	Department of Employment and Workplace Relations
<b>DSP</b>	Disability Support Pension
<b>FBT</b>	Family Benefit Tax
<b>JSCI</b>	Job Seeker Classification Index
<b>MHRI</b>	Mental Health Research Index
<b>NESB</b>	Non English Speaking Background
<b>PSP</b>	Personal Support Program
<b>RGWR</b>	Reference Group on Welfare Reform (2000), <i>Participation Support for a More Equitable Society</i> , Canberra: Commonwealth of Australia.

## *Executive Summary*

This report presents the results of research into the background for welfare reform and into the impact of recent welfare reform changes on 36 marginalised families. We suspected that the majority of these families were disengaged from their communities and that welfare reform legislation would place more stress upon them, rather than achieving the government's goal of 'helping them to help themselves'. We undertook this research into the impact of welfare reform on marginalised families in order to test this suspicion and, where relevant, to advocate on behalf of these families, and to adapt our practice accordingly,

The study was primarily exploratory. Nevertheless, it deepened our understanding of the ways marginalised families communicate with Centrelink and it exposed some of the barriers to employment, training and voluntary work. The study focused in particular on the likely impact the *Australians Working Together Act* (AWT) will have on single parents with regards to the new activity test requirements, and the implications of the new legislation for supporting these families.

The key questions we wanted to answer were:

- What would be the likely impact of the *Australians Working Together Act* on the already marginalised families with which MacKillop Family Services works?
- In what way would MacKillop Family Services need to respond to these changes?
- What recommendations would we propose for welfare reform policy?

Ten MacKillop practitioners were invited to fill in a detailed survey about the welfare situation of each of the marginalised families in their current case list. We asked the practitioners to rate the ease of access and communication with Centrelink. We also asked about barriers to employment, other services the families were involved in, household arrangements, concession card types, consequences of earlier welfare reform changes, and evidence which might suggest greater community links. In the same survey we asked practitioners to comment about any likely difficulties impacting on practice as a result of the introduction of the *Australians Working Together Act*.

What we found was:

- Practitioners indicated great concern over the possible increased stress on marginalised families due to increased Centrelink requirements and harsh breaching penalties;
- Practitioners acknowledged the need to be kept aware of major government initiatives;

- The greater compliance expected in the new legislation will increase the likelihood of inadvertent non-compliance;
- Family responsibility was listed as the most common ‘barrier to employment, job-training and volunteering’ (77.8%);
- ‘Mental health’ was the second most common ‘barrier’, being mentioned by 50% of the sample (this increased to 57.7% when families from Disability Services were removed from the sample);
- Only 10 of the 18 families reporting a mental disability were engaged with a mental health worker and only six of these were receiving the Disability Support Pension;
- Households with more ‘barriers to employment, job-training and volunteering’ found Centrelink communications and procedures more difficult to understand;
- Centrelink contacts families by mail, but families contact Centrelink face-to-face;
- There is little evidence to suggest that the initial changes to welfare reform have linked marginalised families back into the community or helped address their isolation.

From this survey MacKillop Family Services now has the following snapshot of marginalised families:

- 77.8% of the families in this sample were receiving parenting payments (this increased to 92.3% when families receiving Disability Services were removed from the sample);
- The average number of children per household was 2.6;
- Around half of the sample was in public housing (47.2%);
- Single adult households comprised 48.6% of the sample;
- Around a third of the households (36.1%) were involved with at least three other authorities/agencies/programs (46.1% of families in family support services are involved with 3 or more agencies);
- On average, families received 1.7 payment types per household; this increased to 2.1 for single adult households).

The research was undertaken as new AWT participatory requirements were being put in place. These requirements will have particular impact on families receiving Parenting Payment whose children have turned 6, and again when they turn 13. While practitioners

anticipate the likelihood of greater stress arising from forced involvement with Centrelink, the findings suggests that at present there is no clear-cut and immediate impact on these families.

The study also has implications for practice:

- Because a very high percentage of families receive Parenting Payments, practitioners will need to anticipate increased family stress levels and develop clear strategies for advocacy with Centrelink;
- While changes in government policy are often complex and hard to follow, some can have significant impact on practice, hence a process needs to be developed so that practitioners can not only keep abreast of, but be ahead of, government policy;
- This survey has revealed that marginalised families and practitioners working with them are not aware of the Personal Support Program and hence greater awareness of this program needs to be promoted;
- The *Australians Working Together Act* will place an increased workload on practitioners in their role as supports in ‘translating’ forms and advocating with Centrelink. Practitioners will need to be aware of this ongoing support for families.

The literature review also indicates several problematic areas:

- There is no evidence that the promotion of the competitive individual will enhance the promotion of the common good;
- Intensive interventions have been found to have no effect on labour market participation;
- The discipline of paid work will not address the short comings of individuals unless long term social causes and structural inequalities are also addressed;
- There is an important link between the provision of adequate individual support and family welfare;
- It seems likely that marginalised families will not be receiving the support that they require whilst remaining vulnerable to a tough regime of penalties and breaches.
- Given that the burden carried by welfare organisations has been increasing, the further development of a minimalist, highly-targeted and punitive welfare regime

will have serious implications for these organisations and the people they represent.

Recommendations for policy and advocacy include:

- Parenting is beneficial to society and this benefit, as opposed to labour market contributions, needs to be continually highlighted in policy discussions;
- The Howard Government's welfare reforms are likely to increase marginalisation rather than linking people back into their communities: further policy discussions need to address the social causes of isolation and invest more in enabling social participation;
- There are multiple and complex barriers that prevent marginalised families from participation in work or training, and more emphasis needs to be placed in policy discussions on removing barriers to employment;
- Adults in marginalised families will need substantial support in the form of child care, training, and transport if they are at some stage to enter the labour market;
- Personal communication is preferable to electronic communication, particularly if the aim is to develop social participation;
- An active labour market model of welfare reform is not appropriate for marginalised families and is in tension with a social capital strengthening model
- The promotion of individual competitiveness can run at odds to enhancing the common good.

## *Introduction*

### **MacKillop Family Services – History, Ethos and Values**

MacKillop Family Services, established in 1997 as a refounding of seven long established Catholic agencies, is a specialised provider of child, youth and family services to some of the most marginalised families in Melbourne and Geelong. Key programs include family support, special education, residential services, Disability Services, youth services and foster care. This work is delivered through over 90 services and the efforts of some 350 staff and a further 350 volunteers.

MacKillop's mission is to foster hope in every person by awakening them to an appreciation of their self-worth. Through a diversity of creative programs we resource children, young people and families who have particular needs, to empower them to achieve their full potential within the wider community. We stand with those who struggle for justice, peace and hope, and, in partnership with those on the margins, advocate for positive social change and a just society.

Many of our services specifically address the needs of marginalised families. These include:

- Family and Community Services;
- Family Preservation;
- Strengthening Families;
- Substance Abuse Family Support;
- Drug and Alcohol Family Counselling Service;
- Pregnancy and Early Parenting Support;
- Families and Schools Together;
- Companion Families;
- Regional Parenting Service;
- Regional parenting ABCD;
- Family Skills Training;
- Disability Services;
- Respite Services;
- Family Options;
- Horizons Reflection Group.<sup>1</sup>

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<sup>1</sup> See [www.mackillop.org.au](http://www.mackillop.org.au) for further information. For a recent research report on work with marginalised families, see Lyndal Hickey et al, "The Value of Multiple Engagement Long Term Family Preservation Services", a paper given at the Australian Institute of Family Studies conference, 2003, on the Australian Institute of Family Studies Website at [www.aifs.org.au](http://www.aifs.org.au)

## **The Research Project**

The principal aim of this research was to gauge the impact of specific welfare reforms and the general intensification of active labour market policies (mutual obligation) on families engaged with MacKillop Family Services. Of particular concern was the introduction of activity tests for Parenting Payment recipients, who make up a large proportion of family services clients.

The study involved generating a profile of MacKillop clients in terms of:

- what services and programs they access;
- household characteristics;
- needs expressed in terms of barriers to participation, difficulties with understanding of, and access to Centrelink processes and resources;
- other needs identified by practitioners.

This information formed the basis of an assessment of what impact, if any, welfare reform will have on marginalised families. In assessing this impact it will also be important to examine the means by which needy families are exempted from inappropriate obligations and the ways in which access to support resources is facilitated.

In order to better understand the context within which the current welfare reform regime has been established, a literature review and background paper on welfare reform and marginalised families were also prepared.

The research was undertaken by Suzanne McManus, Coordinator of Research and Policy, MacKillop Family Services, and Justin Bowd, RMIT University, on placement at MacKillop's Practice and Policy Unit.

# *Methodology*

## **Literature Review**

The literature review outlines the context of welfare reform. It begins by tracking the arguments from the 1940s to the present about the nature of welfare and the move to reform. The review then explores discussions of the needs of 'marginalised families' and policy responses. The pertinent activity test requirements as laid out by the new legislation, the *Australians Working Together Act 2003*, are described and the active labour market model and job seeker classification model explained.

## **Sample and Survey**

Basic data was gathered on 36 families who are current clients of family or Disability Services. Survey forms were distributed to ten workers in MacKillop Family Services who volunteered to be part of the research project (see Appendix A: Practitioner Survey). The workers were asked to identify and comment on the current welfare benefits being received by the families on their case list. Families were not identified and no identifying information was recorded. Eight workers returned surveys: four from Strengthening Families service; two from Family Preservation, and two from Disability Services.

## **Measures**

The survey form developed for this research was trialled and then distributed. The form contained closed and open-ended questions to capture a range of quantitative and qualitative data. The data captured was concerned with:

- payment types received by families;
- household characteristics (e.g. number of children/adults, accommodation type);
- means of communication with Centrelink;
- ease or difficulty with access to Centrelink;
- ease or difficulty with understanding Centrelink processes and communications;
- other services engaging families (e.g. Drug and Alcohol worker, Financial Counsellor, etc);
- barriers preventing families from working, doing job training or volunteering;
- positive and negative aspects of recent welfare reforms for families and MacKillop practitioners.

These surveys were completed between July and September 2003.

## **Analysis**

Data for payment types and household characteristics (excluding number of adults/children per household) were dichotomous 'yes/no' variables and are presented in frequency tables in the result section. Barriers to 'employment, volunteering and training' are similarly recorded, but are also totalled to examine relationships involving multiple (summed) barriers. Here, t-tests, order of least squares regression and Pearson's r are used to examine differences and relationships between variables analysis (these measures are explained in Appendix B). Responses rating ease of access and ease of understanding (on a scale from one [easy] to five [difficult]) have been treated as percentages in order to carry out the same sort of. Statistical results were computed using SSPS software. Themes emerging from the open-ended questions have been categorised to a degree and pertinent examples are included by way of illustration. Because it may reasonably be assumed that families receiving Disability Support Pensions will differ from other marginalised families on certain variables, these families have been treated separately or removed where this seems reasonable (e.g. sources of income).

## *Literature Review*

The move from the '[a]cceptance of the welfare of all citizens as a matter of deliberate policy' to an 'acceptance of responsibility for welfare as a matter of rather unfortunate necessity' (Jamrozic 2001, p. 8) by government and society has rendered the Australian social security system almost unrecognisable from its form of only a few generations ago. Although somewhat oversimplified, in many respects the course of welfare development and reform in Australia can be seen as a tide receding from the high water mark of a relatively inclusive and progressive system of benefits, to a residualist, 'bread-winners' welfare state with a narrow definition of those deemed to be 'deserving'. As noted by Macintyre, these changes encapsulate a shift from 'entitlement to obligation' on behalf of the welfare recipient (1999, p.108). This environment is influenced by an interrelated set of social/demographic, ideological and economic contexts that combine to produce modes of political legitimisation of the welfare system. How the first and third of these factors are construed is mediated largely by the second in the production of welfare policy. With regards to family welfare provision this process determines not only what and how welfare is delivered; it also favours certain models of the family unit.

What follows is a brief history of Australian welfare reform, examined in the context of the mode of political legitimisation, mainly from the 1940s until the present. Then the impact of these policies on 'marginalised' or 'at risk' families will be examined through a short review of some of the pertinent research and literature, especially where it relates to current policy.

### **A Brief History of Australian Welfare Reform**

With the increased levels of tax revenue accruing to the Commonwealth during World War II, the Federal Government was able to play a greater role in the provision of social security, introducing the federal Child Endowment, Widows Pension and Unemployment and Sickness Benefits during the 1940s (Whiteford et al 2001, p.25). However, this was facilitated not just by the Commonwealth's increased spending power but also by the widely accepted Keynesian economic paradigm which saw a role for government spending in creating demand and stabilising the economy (Jamrozic 2001, p.5; Pierson 1998, p.26). This positive 'function' of state-provided welfare and 'universal' accessibility to its provisions, complemented by low rates of unemployment, served to legitimise the system politically. Support was easier to generate for benefits that potentially assisted a larger constituency. The 'universal' provision of benefits (as opposed to means tested benefits) as an aspect of a unifying conception of citizenship was to promote higher levels of social and material equality as well as social cohesion (Marshall in Allen et al 1992, pp.214-216). It should be noted however, that 'universal' was narrowly defined to mean non-indigenous, mainly male 'breadwinners' and 'deserving' single mothers until relatively recently (Whiteford et al 2001, p.26).

Rising unemployment and inflation in the 1970s posed a challenge for this model of the welfare state as the resulting increase in social transfers and reduced tax revenue strained budgets (Pierson 1998, p.139). Governments responded by scaling back expenditure and reducing government debt. To quote Saunders: ‘The tax tail began to wag the welfare dog’ (2002, p.63). Expenditure on welfare spending in Australia was contained initially by the ‘non-indexation of payments’ by the Fraser government followed by tighter targeting of benefits by the Hawke/Keating government (Whiteford et al 2002, pp 26-25).<sup>2</sup> The ideology that informed this response also began to change the way that the individual was perceived in relation to society in general. Most policy makers in Australia retired from the role of providing social well-being and substituted reliance on markets or market-type arrangements to distribute resources (Saunders 2002, pp.23-24). This approach promoted the competitive, self-interested individual as opposed to, or as a means of enhancing the collective good. There was little room for structural or institutional factors in explaining inequality or providing remedies so, in spite of mass unemployment, the onus was now on the welfare recipients to prove themselves to be deserving of assistance.

The language of this discourse is prominent in the terminology contained in policy pronouncements concerning welfare provision. According to Macintyre, ‘the rhetoric of inclusion and participation is used to legitimate the transfer of responsibility from the community to the individual’ (1999, p.114). Once this is achieved, the precarious position of the most disadvantaged families and individuals is seen to be caused not by mass unemployment and a reduction in social resources but by their own failings or the ‘dependence’ encouraged by a generous benefits system itself (Mead in Saunders [Ed] 2000a p.52; Vanstone 2003, p.6). This diverts attention from the government’s retreat from its responsibility for providing an environment of security for its most vulnerable citizens. At the same time, tax concessions for those who can afford private health cover and/or have the luxury of one adequate source of income in a two parent family (Healy and Darlington 1999, p.5; McDonald 2001, p.15),<sup>3</sup> are enjoyed by the majority of citizens without any moral stigma.

### **Marginalised Families**

A useful definition of ‘marginalised families’ is provided by Healy and Darlington who use the term to refer to:

families whose deprivation and isolation excludes them from participation in the social and economic institutions of society (who) face elevated risk of abuse and neglect and involvement in multiple statutory service systems such as mental health, substance abuse and justice systems (1999, p.3).

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<sup>2</sup> The introduction of Medicare by the ALP is, of course, a major exception to this trend.

<sup>3</sup> Family Tax Benefit part B is subjected to neither a means (primary breadwinner) or activity test in contrast to benefits received by lone parents. Child care benefits have also tended to be utilized more by the middle to high income earners compared to the least well-off (Winkworth 2003, p.12 & p.14).

These families are often in need of secondary and tertiary levels of intervention and formal support,<sup>4</sup> largely provided by state governments often in conjunction with non-government welfare agencies (Jamrozic 2001, pp.220-221). This may include child welfare services, refuges, emergency assistance, counselling and the like.

Coinciding with the need for formal support services is often a lack of informal support (provided by relatives, friends, neighbours, etc.). The deprivations of marginalised families often erode their access to informal support networks. This may be due to a lack of engagement with a local community associated with 'high levels of mobility' experienced with homelessness and/or unemployment (Healy and Darlington 2001, pp.6-7). An over-reliance on traditional informal support mechanisms related to insufficient personal resources can have dramatic effects on families including '(c)onflict, estrangement, or mutual impoverishment' (Short and Mutch 2001, p.118). A recently separated parent and his or her children may suddenly lose access to a significant component of their informal support network. This reveals the important link between family welfare and the provision of adequate individual support. The currently fashionable interest in 'social capital' and 'community' is often an attempt to elevate informal support over tax-payer funded, formal support<sup>5</sup> (RGWR 2000, p.39; Cass and Brennan 2002, p.255; Spies-Butcher 2002, p.184).

Research has suggested that there are important relationships between both forms of support. Healy and Darlington (2001), for instance, cite research suggesting that early provision of formal support services actually decreases economic as well as social costs in the longer term (p.8). Research conducted by Short and Mutch (2001) supports this view. They found that for subjects receiving emergency relief from a non-profit organisation in Queensland, the access to informal networks of support (and by extension, social participation) were hampered because a lack of 'skills, ability and material resources (or time)' (p.118). This suggests that adequate funding is required to facilitate participation in the 'norms of reciprocity' demanded by informal support structures, let alone any 'obligation' owed to the state<sup>6</sup> (see Saunders 2001, pp 102-103). Respondents in Hartman's (2002) qualitative study would often forego basic necessities in order to participate in community activities (p.89) whilst others would endure with limited or no social networks (p.93). A lack of affordable and accessible public transport and childcare services could easily exacerbate this situation. The evidence here seems to support the claims of Eva Cox suggesting that the failure to address structural inequality is a barrier to the formation of this type of social capital and community participation (1995, pp.73-74).

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<sup>4</sup> Selectivity and intensity of interventions and support increases with progression from primary to secondary and tertiary levels (Jamrozic 2001, p.220).

<sup>5</sup> In many respects this is the opposite to social capital as envisaged by Eva Cox (1995).

<sup>6</sup> Of course, the 'norms of reciprocity' and 'reciprocal' or 'mutual obligation' have distinctly different connotations in relation to social participation (see Carney and Ramia 2002, pp.279-280).

## **Australians Working Together (AWT)**

For the Commonwealth, the welfare of marginalised families is best served by access to paid employment (Winkworth 2003, p.14; Gregory et al 2003, p.3). The rationale for this approach is twofold: first is the detrimental effect of detachment from paid employment on families' social, physical and economic situation including pathologies associated with increasingly entrenched welfare dependency, transcending generations; second is the growing financial cost of income support to society, often described in the context of an 'ageing society' where revenues will be smaller and costs will be greater<sup>7</sup> (Reference Group on Welfare Reform [RGWR] 2000, p.3; Mead 2000b.35-36; Vanstone 2003, p.2 and 6). This has led to a policy that attempts to balance economic imperatives expressed in the residual nature of a highly targeted, minimal safety net with the need for a rigorous program of enforced activity and surveillance designed to minimise 'moral hazard'. Unlike programs of the previous federal government, the current approach to this problem is to bolster the labour supply rather than intervening to improve demand. The main tool employed is enforced activity via mutual obligation, the role of which is explained in the government's blueprint for welfare reform: The McClure Report (RGWR 2000). The nature of the perceived problem and solution is summed up in the following:

Participation is in the long-term interest of individuals and the key strategy for addressing the prospect of entrenched social and economic disadvantage. An obligation to participate will reinforce community expectations and will encourage the minority of individuals who might be reluctant to take up appropriate opportunities (p.33).

This description and much of the report is reminiscent of Ruth Levitas' Moral Underclass and Social Integrationist discourses, both of which are normative models<sup>8</sup> of poverty or exclusion, focussing on the short-comings of individuals (more notably in the former) and prescribe the discipline of paid work as a solution (Frankel 2001, pp.23-24; Leathwood and Hayton 2002, p.142). A result has been an increase in the levels of surveillance and obligation, tougher eligibility criteria with a corresponding increase in the amount of penalties meted out for breaching (Kinear 2002b, p.9; Lackner 2003, p.11). This is likely to affect the most disadvantaged families as they will have a heavier engagement with intensive programs containing more complex requirements; a situation exacerbated by inadequacies with client screening (discussed below). Activity tests have already been tightened for mature age and parenting payment recipients increasing the potential for marginalised families to suffer the stress of compliance and the disastrous consequences of non-compliance. Following are some of the key initiatives affecting marginalised families.

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<sup>7</sup> For a critique of this perspective see Kinear (2002a, pp.14-22)

<sup>8</sup> Normative in the sense that they contain generalised, descriptive, prescriptive and proscriptive elements.

### **(AWT) Activity Test Requirements**

The following are the major Activity Test Requirements which will impact on marginalised families

#### **Changes to Parenting Payment (effective September 2003)**

Those receiving a Parenting Payment for over six months and whose youngest child is six or over are now required to attend an annual interview 'to help them plan for returning to work in the future'.

Those receiving Parenting Payment for over 6 months and whose youngest child is thirteen or over are now required to work with a Centrelink Personal Adviser to develop a Participation Agreement. They are required to do up to 150 hours of part-time activity over six months which works out at 6 hours per week. Undertaking a Personal Support Program can be recognised as an activity for activity test purposes.

#### **Personal Support Program (PSP)**

The PSP (introduced July 2002) is designed to help those with 'multiple non-vocational barriers such as mental illness, homelessness, drug and alcohol problems and domestic violence'. The PSP can be recognised as an activity for activity test purposes. However, if a client has been referred to the program this would be considered compulsory. PSP can also be used to waiver any person on current breach penalties. There is a range of activities and assistance within the PSP, for example, access to counselling, stable accommodation, drug and alcohol rehabilitation programs or other assistance/services to overcome individual needs and barriers. Assessment and referral is undertaken by Centrelink officers although clients can be referred for an assessment by other service providers.

#### **Working Credit**

Introduced in September 2003, working credits are designed to reduce the effect of poverty traps for the increasing number of people undertaking casual and seasonal work as well as assisting with expenses associated with the return to full-time and part-time work. Earning credits accumulate each fortnight that a client earns less than \$48.00 over their allowance up to a limit of 1000. Each credit replaces a dollar that is forfeited when someone earns over their income free area (\$62.00 for single allowees and \$112.00 for disability support pensioners, from paid employment).

## **Language, Literacy and Numeracy Supplement**

This fortnightly payment of \$20.80 is available for those undertaking approved language literacy and numeracy programs.

### **The Active Labour Market Model**

The AWT package exemplifies an active labour market model and several studies have been undertaken to assess its effectiveness in recent times. Ziguras et al (2003) found that imposed activity levels were felt to be less helpful by those with the greatest barriers to employment (homelessness, mental health issues, low levels of literacy, NESB, substance abuse, age). For example, people with mental health issues or a combination of barriers 'were confused and highly stressed' and had difficulties in keeping deadlines or appointments (p.34). They also found that the high level of breaching in their sample (about a quarter had been breached in the previous year) had flow-on effects to other members of clients' families (p.35). They suggest that the elevated number of breaches for their sample may be due to the high levels of disadvantage experienced by its respondents (in relation to previous studies) although they found no relationship between levels of disadvantage and breaching within their sample, possibly due to its small size (p.36). The Productivity Commission (2002), however, did find a relationship between the disadvantages faced by jobseekers and levels of breaching (Ch 6, pp. 19-22).

More intensive intervention was found to have no effect on labour-market participation in a study conducted by Breunig et al (2003) using data generated by the Department of Family and Community Services. In a randomised trial, long term unemployed subjects in the experimental group were provided with two intensive interviews (with a subsequent follow-up phone call) that included 'detailed questions about the level of interaction which individuals had with their families and local communities'. These also contained a 'Participation Plan' that codified agreements generated from discussions over 'ways in which the participant could become more economically and socially integrated' (p.86). Although the intervention had a positive effect on participation in training and study there was 'no significant effect on job - search, volunteer work or the proportion of individuals in employment' (p.98). Social participation was found to have increased due to the intervention but this variable was rather broadly defined to include those who meet socially with friends more than once per week (p.92). The longer term outcomes of the interventions will be of interest here but the immediate results do not show that the long term unemployed can be forced into a solid engagement with the work-force. Part-time work hours actually decreased with the intervention (p.98), supporting Ziguras et al's findings that satisfying activity tends to become an occupation in itself (2003, p.v).

Anecdotal evidence reinforces the negative aspects of coercion. An anonymous single mother in a submission to a Senate enquiry (published in *Impact*, 2002) stated that:

I don't need coercion to plan as I've thought long and hard about ways of overcoming poverty traps, work barriers and other hurdles. I need practical support that is built on good policy (p.9).

Eardley (2001) suggests that models for this type of 'good policy' can be found in countries like Denmark and Sweden 'which have both extensive welfare provisions and high rates of sole parent employment' (p.21). This was related to the provision of 'substantial support to enter work, both in the form of municipal child care, education and training and other employment assistance' (ibid).

In a labour market that cannot clear, no amount of coercion is likely to diminish the relative disadvantage of the long-term unemployed (Solas 2002, p.15). Churning may be increased (especially in the commercial context of the privatised Job-Network arrangements), but accompanying this will necessarily be a type of inverse 'creaming' where those with the most significant barriers to employment will, due to a low amount of demand, always have the most tenuous relationship with secure and adequately paid work (Saunders, quoted in Cave for the *Australian Financial Review* 2003, p.68; Quiggin 2001, pp.53-54). The Department of Education and Workplace Relations (DEWR) has noted that in spite of recent policies,

outcome levels vary with levels of labour market disadvantage, with older job-seekers and those with longer durations of unemployment, in particular, having outcomes well below those of other jobseekers (quoted in Carson and Kerr 2003, p.29).

For the most disadvantaged, Commonwealth initiatives have focused on the provision of Intensive Assistance for the longer term unemployed and a Personal Support Program (PSP) for people who present with multiple barriers to employment like 'homelessness, drug and alcohol addiction, mental illness and domestic violence' (Vanstone and Abbot 2002). Access to these and other provisions like the Disability Support Pension (DSP) and Community Participation Agreements was to be improved by providing more intensive assessment and streaming processes (RGWR 2000, pp.11-12). Although these programs have been financed to expand over time, their success in achieving employment outcomes has been unspectacular (Eardley 2002, p.5; Carson and Kerr 2003, p.29). The more crucial role played by assessment and gate-keeping processes is that of exempting the most disadvantaged from mutual obligation's sharp edges. The privileging of employment outcomes over client well-being, however, has contributed to problems with this system. As shown below, this has serious implications for 'marginalised families' and imposes extra responsibilities upon welfare agencies.

### **The Job Seeker Classification Index**

The principle means of client assessment has been the Job Seeker Classification Index (JSCI). This profiling tool measures 'risk factors' influencing employment prospects and is administered upon registration with Centrelink and at yearly intervals following that

(Productivity Commission 2002, Ch. 4, p.5).<sup>9</sup> The scores obtained from this survey are then used to ‘stream’ the job seeker to the appropriate level of assistance whether it be Job Matching, Job Search Training or Intensive Assistance (Ibid, Ch. 4, p.6). Higher scores are related to more intensive levels of assistance. Research has suggested, however that this tool has been deficient in identifying job-seekers requiring other forms of assistance such as Personal Support or Disability programs or payments. Unfortunately, this means that the ‘risk factors’ that partly define ‘marginalised families’ such as low income single parenthood, substance abuse, violence, homelessness and mental health issues may not be identified until these families are forced into contact with law enforcement or child-protection agencies – in other words: once the damage has been done.

Parkinson (2003), found ‘significant under reporting of relevant factors’ in JSCI file data for subjects receiving Newstart allowance and experiencing homelessness in case by case comparisons with interview data. The discrepancies were apparent in the JSCI factors of “‘instability of residence (homelessness), disability, medical condition or addiction and ‘other personal factors’” (p.6). Implications identified were referral to inappropriate services; increased likelihood of incurring a breach and ‘not receiving exemption and being required to fulfil mutual obligation requirements in a period of instability’ (p. 7). Toby Croft (2002a) has found similar trends regarding mental illness among clients undertaking the Intensive Assistance program administered via the Centapact Employment agency in Tasmania. He reports that:

Excluding those clients transferred to the DSP on the basis of physical conditions, we have still identified and documented around one client every ten days whose condition or circumstances renders them eligible for support via the DSP, CSP or specialist agency (p.158).

For both of these studies, one of the reasons for the JSCI’s inadequacies was the unwillingness of clients to disclose relevant information about their conditions. Parkinson suggests that fears relating to the withdrawal of rent-assistance and confusion about Centrelink’s role in relation to the Job Network were two possible reasons for this regarding homelessness (2003, p.7). Croft suggests a lack of diagnosis, fear of psychiatric categorisation and mistrustfulness as some of the reasons for non disclosure of mental health factors (p.161, 2002b p.5). Croft also notes that until recent changes, the JSCI placed little emphasis in identifying these types of well-being issues compared to more easily observed demographic factors commonly defining groups with poor prospects in the labour market. He notes that being a male aged 50-54 and ‘failure to complete grade 10’ earned 10 and 6 points respectively. Disclosure of a mental illness (under the category of ‘disability’) was only worth 2 points (p.161). It should be noted that relative scores for the variables mentioned above have not changed significantly in recent modifications. The male (age 50-54) factor has decreased by 2 points; grade 10 completion has remained constant; whilst the reporting of a single disability has increased by 1 point (Australian Employment Services 2003). Evident in this and noted by both

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<sup>9</sup> It is noteworthy that low or no access to transport and/or childcare are not considered to be risk-factors by the JSCI (Australian Employment Services 2003)

Croft (p.163) and Parkinson (p.12) is a lack of depth and detail in the information captured by the JSCI.

In recent renovations the JSCI weightings have been readjusted and ‘triggers’ for more thorough supplementary assessments for certain clients have been improved (DEWR 2002, p.50; Australian Employment Services 2003). Job Network members have also been provided with more incentives to identify and re-direct clients to services such as the PSP and DSP (Croft 2002b, p.5). From the research cited above it can be seen that this is not before time. However, this will require significant funding increases for these programs. For instance, the re-adjustment of JSCI weightings in 2002 increased the amount of job seekers eligible for Intensive Support from 30,000 to 65,000 (DEWR 2002). More thorough and appropriate assessments are also likely to increase demands on other programs (Croft 2002b, p.5) although it should be noted that the criteria for referral to the PSP on the basis of a JSCI supplementary assessment (special needs) is still quite onerous (Employment Services Australia 2003). Sharon Parkinson is not optimistic about changes to the JSCI and states that ‘they will not address the systemic weaknesses in the initial identification of employment barriers’ (2003, p.14). Even if streaming techniques were improved significantly, there would still be those suffering inappropriate programs or left completely unassisted in-between annual reviews. The upshot of this type of streaming is that until they are acute, the needs of these people will tend to be unrecognised and unsatisfied.

Implications of this situation for welfare-providing agencies are stark. Not only are there extra responsibilities to fill the gaps in the support provided and minimise the negative effects of penalties incurred due to an unfair assessment – there is also the onus to identify where such situations might exist so that adequate levels of support, with appropriately attenuated activity requirements may be facilitated. For example, a recent study conducted by the Mental Health Research Institute (MHRI) found that 85% of a sample of people suffering psychotic disorders were receiving welfare benefits and that nearly half were not able to access services they needed due to unavailability or lack of affordability (2003, p.3). From the studies cited above it seems likely that many of these people and their families will not be receiving the support that they require whilst remaining vulnerable to AWT’s tough regime of penalties and breaches (see Croft 2002a, p.158, quoted above). The same may logically be said for those suffering with substance abuse and domestic violence. Given that the burden carried by welfare organisations has been increasing (ACOSS 2003, p.5); this situation and the further development of a minimalist, highly-targeted and punitive welfare regime will have serious implications for organisations and the people they represent.

## *Survey Results*

This section reports on the replies to the thirteen survey questions. Data was provided on thirty six families by practitioners working with them. The survey results provide quantitative and qualitative data. Statistical analyses are included in separate text boxes (see Appendix B for further information on the statistical analysis).

### **Question 1: Sources of Income**

*What Centrelink payment/s do our families receive?*

<b>Sample</b>	<b>Parenting Payment</b>	<b>Child Care Benefit</b>	<b>Disability Support Pension</b>	<b>FBT a &amp; b</b>	<b>Newstart Allowance</b>	<b>Youth Allowance</b>	<b>Income from Work</b>	<b>Carers Allowance</b>
<b>Disability Services included</b>	77.8% (28)	22.2% (8)	36.1% (13)	41.7% (15)	2.8% (1)	8.3% (3)	25% (9)	19.4% (7)
<b>Disability Services excluded</b>	92.3% (24)	23.1% (6)	38.5% (10)	46.2% (12)	3.8% (1)	7.7% (2)	19.2% (5)	0 (0)
Disability Services Only	40% (4)	20% (2)	30% (3)	30% (3)	0 (0)	10% (1)	40% (4)	70% (7)

**Table 1: Sources of Income<sup>10</sup>**

Parenting payment was by far the most common source of income for all families (77.8%). No one received a Special Benefit. All of the seven families receiving Carers Allowance came from disability programs.

The proportion of households receiving a Parenting Payment increased to 92.3 % when cases from Disability Services were removed. Although it is probable that the eldest child of many of these families is under 6 or 13, there is a strong potential that they will encounter the effects of changes to the parenting payment (see p.4 above) in the future.

The average amount of payment types/income sources per adult per household was 1.7. Single adult households received more payment types per adult than dual adult households ( $t_{33}=3.2$ ,  $df=31$ ,  $p<.05$ ).<sup>11</sup> Although households receiving the Disability Support Pension were quite common (36.1%), there was no meaningful difference between the number of barriers to 'employment, job-training and volunteering' ( $t_{36}=-1.21$ ,  $df=34$ ,  $p>.05$ ) for families with or without this source of income.

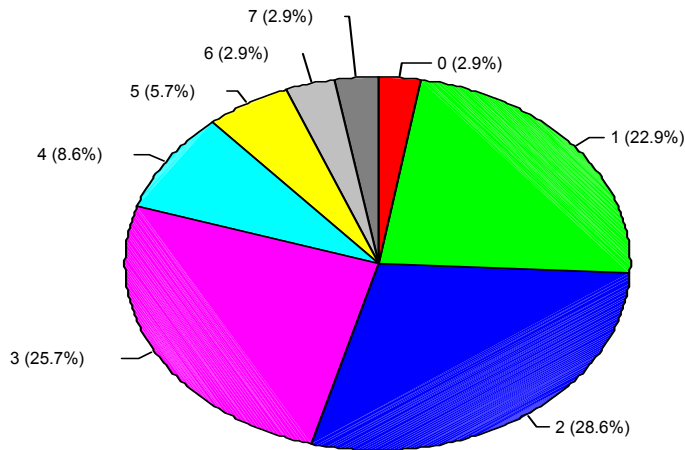
<sup>10</sup> Due to the fact that more than one category usually often applies to cases row and column percentages will not equal 100 for all tables in this section.

<sup>11</sup> An explanation of this type of statistical reporting can be found in Appendix B, although the meaning here is contained in the text as well.

**Question 2: Household Characteristics**

*What type of household arrangements are these families experiencing?*

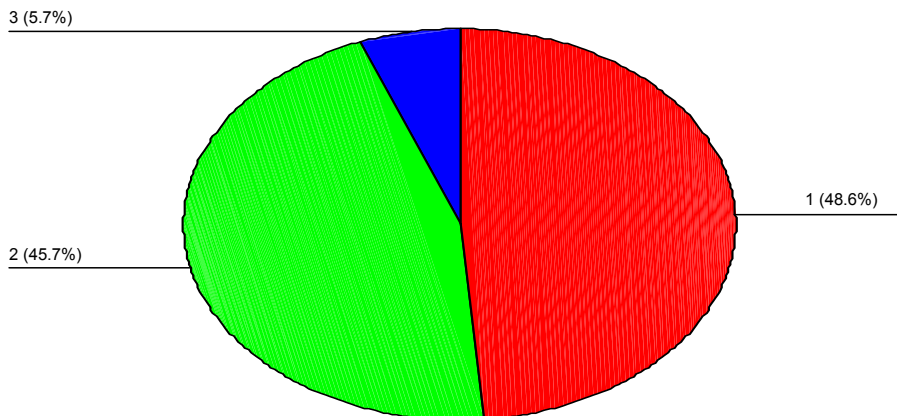
*(a) Number of children per household*



**Figure 1: Number of children per household**

Figure 1 shows that households with 2 or more children comprised almost three quarters of the sample. The average number of children per household for the sample was 2.6. The average number of children per adult per household was 1.9.

*(b) Number of adults per household*



**Figure 2: Number of adults per household**

Figure 2 shows that 48.6% of the households surveyed have one adult living in the house while 45.7% of households have 2 adults living in the house at any one time and 5.7% of the households have 3 adults living in the household.

The statistics here can be misleading if ‘number of adults in family’ is implied. The question was ‘number of adults per household’ rather than sole versus two parent families. Multiple adult households may represent share/supervised accommodation where a non-family adult is present and, therefore, hide a proportion of single parent families (e.g. there are two three adult households). A broad definition of ‘family’ may include the above but would not be commensurate with Centrelink definitions.

There was no effect for the number of adults (one versus two) in households on ease of understanding of (t32 =-.45, df =30, p>.05), and ease of access to Centrelink (t33=.18, df =31, >.05). Single adult households experienced a greater number of barriers to ‘employment, volunteering and training’ per adult than dual adult households (t33=1.05, df =31, p<.05) although any marked differences, or lack of, should be considered in light of the caveat above.

*(c) Accommodation types*

Sample	Public Housing	Private Housing	Rental Assistance	Public or Transitional Housing
<b>Disability Services Included</b>	47.2 % (17)	41.7 % (15)	30.6 % (11)	5.6 % (2)
<i>Disability Services Excluded</i>	53.8% (14)	38.5 % (10)	38.5 % (10)	7.7 % (2)

**Table 2: Sample’s Accommodation Type and Rent Assistance**

Table 2 shows that the proportion of public to private housing increases when Disability Services are excluded from the sample.

**Question 3: Healthcare/Concession Cards**

*Do these families receive a concession or health care card?*

Sample	Healthcare Card	Concession/Pension Card	Both
<b>Disability Services Included</b>	91.7% (33)	33.3% (12)	27.8% (10)
<b>Disability Services Excluded</b>	92.3% (24)	42.3% (11)	34.6% (9)
Disability Services Only	90% (9)	10% (1)	10% (1)

**Table 3: Families with Healthcare and Concession/Pension Cards**

The higher proportion of Healthcare Cards for Disability Services (compared to Concession/Pension Cards) in table 3 reflects the eligibility of carers for this kind of assistance.

**Question 4a/b: Means of Communication with Centrelink**

*What are the means of communication with Centrelink?*

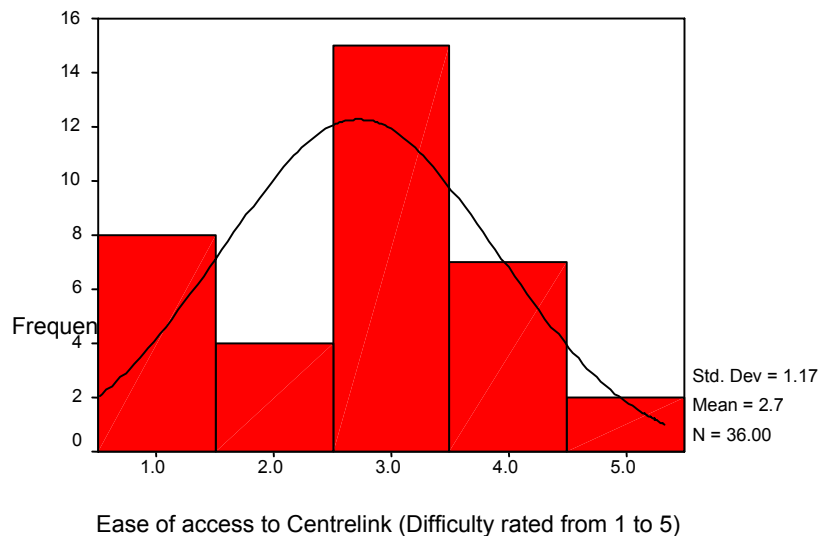
<b>Direction of Communication</b>	<b>Mail</b>	<b>Internet</b>	<b>Landline</b>	<b>Mobile</b>	<b>Face to Face</b>
<b>Client to Centrelink</b>	38.9 % (14)	0	72.2 % (26)	19.4 % (7)	86.1 % (31)
<b>Centrelink to Client</b>	100 % (36)	0	25 % (9)	5.6 % (2)	44.4 % (16)

**Table 4: Means of Client to Centrelink Communication**

Table 4 reveals the standard pattern of families receiving a Centrelink form in the mail and then appearing in person at Centrelink for lodgement, with high face to face client-Centrelink contact. The Internet was completely unutilised by the households in this survey.

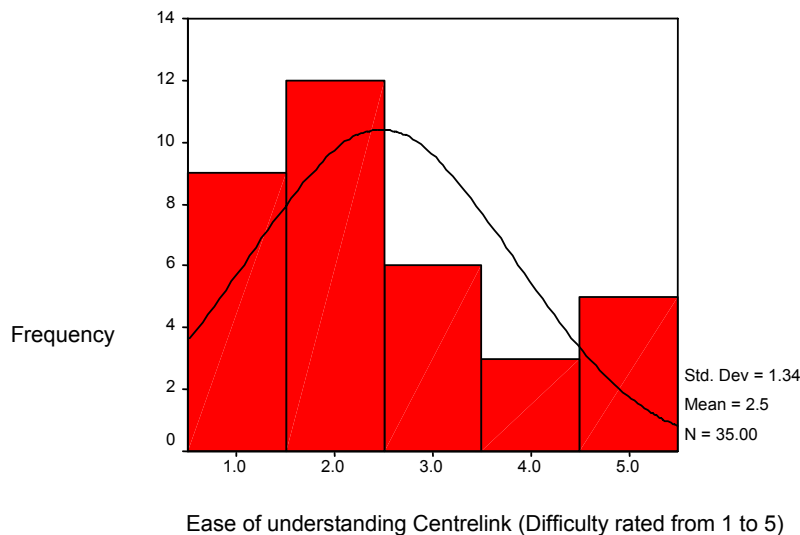
**Question 4c/d: Ease of Access and Understanding of Centrelink communications**

*Please rate the ease of contact with Centrelink. 1=easy, 5=difficult*



**Figure 3: Ease of Access to Centrelink**

Clients found it moderately difficult to access Centrelink (Figure 3). At least half of the sample ranked accessibility at 3 out of 5 or higher (Median = 3).



**Figure 4: Ease of Understanding Centrelink**

As shown in Figure 4, at least half of the sample rated ease of understanding at 2 out of 5 or easier (Median = 2 in a scale that ranged from 1 [easy] to 5 [difficult]); although this would still suggest that a sizeable proportion did have some issues with understanding (see Table 8 below for a more detailed analysis). As can be seen in Table 8 (below), there was a slight to moderate correlation between ease of understanding and ease of access.

Transport/Location	Disability	Children	Phone Issues	Other
19.4 % (7)	11.1 % (4)	11.1 % (4)	16.7 % (6)	2.8 % (1)

**Table 6: Reasons for Difficulty with Access**

More specific data on geographic location and transportation arrangements were not recorded. Identifying physical disability as a barrier to ‘employment, job-training and volunteering’ adversely affected access difficulty scores, with these households finding access to Centrelink between 3% and 32% more difficult than the other families. The number of children per adult per household had no effect on ease of access ratings. Identifying ‘family responsibilities’ as a barrier to ‘employment, job-training and volunteering’ also had no effect on ease of access ratings in general. Specific examples, however, do exist and are provided below (see Question 11).

Terminology/ Comprehension	Intellectual Disability	Literacy	Mental Illness	Other
30.6 % (11)	8.3 % (3)	11.1 % (4)	8.3 % (3)	11.1 % (4)

**Table 7: Reasons for Difficulty with Understanding Centrelink Communications and Processes**

The categories for the first four columns in table 7 were the most common reasons given for a lack of understanding, with “terminology/comprehension” the greatest barrier. Some cases reported several reasons. (These categories reflect a partial codification of responses to open-ended questions, producing variables that are not discrete; there is an obvious overlap between *Literacy* and *Terminology/Comprehension* for instance.)

Table 8, below, lists possible predictors of difficulty in comprehending Centrelink communications. Statistical analysis indicates that where more of these barriers are present, the comprehension of Centrelink communication becomes more difficult. In marginalised families, the number of barriers is inevitably always large.

Variable	Beta	B
Number of Children Per Adult	-.2	-.17
Number of Barriers to employment, job training and volunteering	.47**	.68
Number of income sources/benefits per adult household member	.05	.01
Difficulty with access	.37*	.42
Constant	NA	-.14
Adjusted R Square		.36

**Table 8: Predictors of Difficulty with Understanding: \*\* p<.01, \* p<.05**

As illustrated in Table 8, the ‘number of barriers to employment job training and volunteering’ has a moderate effect on the levels of understanding of Centrelink with an extra barrier increasing the difficulty of understanding by 13.6% (.68 times .20 or 1/5) on average (beta=.47, p<.05). Difficulty of access ratings also had a slight to moderate effect with a 20% increase in this variable corresponding to an 8.4% increase in the perceived difficulty of understanding (beta=.37, p<.05). The number of payment types had no effect on levels of understanding. For our sample, the variables in Table 8 explain 36% of the variation in the ‘Difficulty with Understanding’ scores. Having a language barrier affected ease of understanding scores (t35=-1.87, df = 33, p<.05). On average, people with language barriers rated understanding to be between 11% and 63% more difficult than those without.

Other, more complex reasons were given for difficulty with access and understanding, often in combination with those enumerated. For example, for one family the practitioner’s comment was: ‘*Mother perpetually in crisis (and this) prevents organisation (and) follow up of appointments*’. Another practitioner observed that: ‘*Sometimes families panic with change and immediately fear more is required of them ... or (that) they will not grasp (or) comprehend requirements or change*’. Comments like these suggest that the processes and communications affect and are affected by emotional situations for some families.

### Question 5: The Personal Support Program

#### *Are any of the adults involved in the Personal Support Program?*

None of the practitioners reported any family being involved with the Personal Support Program (PSP). One practitioner wrote: ‘*writer not aware of PSP and families unaware also*’. This is of concern because the program, although still imposing requirements, is designed as a means of customising activity agreements now required of some parenting payment recipients – especially those with complex needs. On the other hand, it is likely that a large number of these families had young children and were therefore not yet required to participate in these types of programs (see question 11).

### Question 6: Other Services

#### *What other services are families required to engage with?*

Sample	DHS	Mental Health Worker	D&A Worker	Financial Counsellor	Other*
Disability Services Included	47.2 % (17)	44.4 % (16)	8.3 % (3)	11.1 % (4)	75 % (27)
Disability Services Excluded	46.2 % (12)	53.8 % (14)	11.5 % (3)	14.4 % (4)	92.3 % (24)

**Table 9: Other services engaging families**

\* The ‘other’ category included HACC services, respite care, special schools and schools-based welfare programs, police, community assessment teams, medical practitioners and hospitals, the Children’s Court, sexual assault and domestic violence workers, trauma counselling and the Making a Difference Program.

As seen in Table 9 the dominance of the ‘Other’ category demonstrates the wide range of services that the families in the survey are engaged with although the raw figure may be slightly inflated by overlaps with the ‘DHS’ category (for example, community assessment teams). A small proportion of the practitioners listed school welfare worker for each of their five families which would also inflate the ‘other’ category substantially. The average number of other services engaging families was 2.8 whilst 36.1% of families were engaged with 3 or more services. The picture is not radically different when the 10 families from disability programs are removed with the average becoming 2.7 services per family with 38.5% involved with 3 or more services although a 9.4 % increase in the proportion accessing mental health workers can be seen in Table 1.

**Question 7: Barriers to Work, Training or Volunteering**

*What circumstances would prevent our families from working, doing job training or volunteering?*

Sample	Barriers: Mental Health	Barriers: Physical Health	Barriers: Limited work experience	Barriers: Family Responsibility	Barriers: Language/Literacy
Disability Services Included	50 % (18)	44.4 % (16)	58.3 % (21)	77.8 % (28)	11.1% (4)
Disability Services Excluded	57.7% (15)	42.3 % (11)	46.2 % (12)	69.2 % (18)	11.5% (3)

**Table 10: Barriers to Employment, Job Training and Volunteering**

Family responsibility was clearly the biggest impediment to ‘employment, job training and volunteering’ as seen in Table 10. All ten of the families from Disability Services listed this as a reason. Excluding Disability Services increases the proportion of those reporting mental health issues as a barrier from 50% to 57.7%. As shown in Table 8 (above), people with a higher number of barriers to employment, job training and volunteering tended to have greater difficulty in understanding Centrelink’s communications and processes. The number of barriers did not correlate with the number of other services engaged with the families in the sample. The effects of language/literacy on understanding have been examined above, as have the effects of physical disability and family responsibility on accessibility (Questions 4c and 4d). Only 10 of the 18 families reporting ‘mental health’ as a ‘barrier to employment, job training and volunteering’ were reported as being engaged with a mental health worker whilst only 6 of these were receiving a Disability Support Pension. The average number of barriers per family was 2.4 whilst half of the sample had over 2 barriers per household.

**Question 8: Medicare Changes**

*How might the proposed Medicare changes affect our families, if at all?*

Several practitioners raised concerns over the lack of bulk billing. Given the number of families who have Health Care Cards, they should be able to access bulk billing clinics. *‘Many families do not often have the \$40 for a doctor’s appointment even if it is rebated’.* Two practitioners mentioned that families are going to hospitals instead. One practitioner highlighted the consequences of this lack of bulk billing illustrated by the following case story:

*Some families won’t/can’t go to the doctor when the parent or child is sick. This leads to sharing medication within and amongst families. Parents often wait for the next pay to go to the doctor to get the next script eg medication for depression. This in itself creates problems if the parent is off medication too long. We are fortunate to have brokerage.*

### Question 9: Consequences of Welfare Reform Changes

*Are you aware of any negative consequences from the welfare reform changes since approximately 1999? Breaching regulations, shifting in payment types (and therefore amount of money received) mutual obligation?*

Breaching	Shifting in payment	Mutual Obligation
11.1% (4)	11.1% (4)	0% (0)

Table 11: Negative consequences from the welfare reform changes since approximately 1999

Not many respondents reported on question 9 (the breakdown can be seen in Table 11 above) although comments provided by those who did are revealing. For one sole mother receiving the Parenting Payment and supporting three children, the father was *'not paying maintenance but earning money (resulting in the) mother (being) penalised'*. The demands of Centrelink were sometimes in conflict with the complex needs and situations of clients, for instance: *'Fortnightly payment can clash with medical appointments and needs'*. For a mother who had recently lost her Carer's Allowance: *'Centrelink have made it so difficult and her demands for care are so high, that challenging the decision is too exhausting'*. Other 'negative consequences' for these and other categories emerged from the open-ended questions (below), but these defied qualification.

### Question 10: Links with Family to Community

*Is there any evidence that the changes in welfare reform have linked any of the families that you have worked with back into the community or have helped them in any way to address their isolation?*

The eight responses to this question ranged from emphatic 'no(s)' (four of the eight) to more equivocal answers. From a Disability Services worker:

*No. Most Centrelink contact is intrusive, repetitive and unnecessary because children with disabilities do not get 'better'.... The demand(s) (of) mutual obligation make these families feel more devalued as carers; disempowers them with unnecessary processes; ridicules their pain in having reassessments of children whose prognosis and diagnosis is never going to alter or improve.*

Alternatively:

*Not families I have referred to above, but others I have worked with often have young people who struggle with meeting mutual obligation requirements, yet at the same time some of these young people have benefited by accessing employment or education programs.*

Two of the responses noted that changes would require more involvement for MacKillop workers. The changes have made clients *'more dependent on "worker" – emotional support and explanation of changes, etc.'*. Another stated that *'usually our mutual working together resolves any Medicare/Centrelink issues'*.

### **Question 11: Welfare Reform and Children**

*Please describe the possible effects these welfare reform changes might have on the children of these families.*

Three of the eight responses to this question noted that the welfare reform changes concerning parenting payments would be felt in the future as the children from their families were under 6 (see question 5). This may have been the case for most of the respondents, although many did express concern over the negative effects of breaching on families, financial and otherwise. A typical response was '*children may observe their parents failing to reach benefit requirements... if parents lose (money) children may suffer (with) food/ clothes etc.*' Another MacKillop worker replied that

*Many lone parents with complex issues find dealing with the formal world confusing and difficult. In the past, such changes have lead to inadvertent non-compliance, loss of benefit and ... great hardship and adversity for those families.*

Issues relating to the time consumed by meeting activity test requirements included problems associated with finding and affording child care whilst parents were either fulfilling these requirements or attending at Centrelink. Two responses contained at least some positive aspects; one concerning the benefits of the Working Credits Scheme for a mother who sometimes obtained '*one-off car detailing jobs*', the other suggesting that parents '*may be forced into accepting some routine*'.

### **Question 12: Welfare Reform and Practice**

*What difficulties arising from welfare reform might there be for you as a practitioner working with families?*

There was a complex and varied range of responses to this question. Two respondents indicated that keeping abreast of changes introduced with welfare reform was a significant challenge. The imposition of greater and more complex 'obligations' for families with complicated needs was seen as potentially creating more 'stress' for families and more involvement for MacKillop workers who are required...

*...to give assistance to complete more and more complex forms, attend appointments as (an) advocate (for) families (and) be involved in trying to reduce the stress of Centrelink changes by informing families of (the) impact of changes as they become known.*

Another worker noted:

*Often families are in crisis – these reforms may be an added stress if family/parent (is) not in a position to deal with the expectations of Centrelink.*

As a result some workers articulated their role in interceding with Centrelink in these types of situations. For example:

*Managing situations when families could lose benefits – negotiating with Centrelink can, at times, be difficult (as can) understanding the requirements, talking to the people who make the decisions (who are) often not accessible.*

Others recognised issues with targeting, specifically those surrounding eligibility and monitoring. One identified

*...difficulties where there is a parent or child with a disability (and) eligibility... this means that many families do not receive support or early intervention and are unable to access support services.*

*Monitoring by Centrelink via the Personal Support Program may create anxiety (for) families (by) having another service involved in their lives.*

### **Question 13: Other Issues**

***Are there any other issues you have on this topic to bring to the attention of the Practice and Policy Unit?***

Again, this question elicited a diverse range of responses, highlighting a degree of complexity surrounding welfare issues. Some responses reflected on the diversity of client's attitudes and abilities concerning Centrelink.

*Some families are very Centrelink literate; others resign themselves for long waits, difficulty in understanding and constant change – part of the system!*

*We have not seen the full impact of 'mutual obligation' to date on parents on (Parenting Payment – Single). Some families will embrace the changes (whilst) others will face penalties because of inability to comply for a variety of reasons, e.g. drug and alcohol abuse. Currently these families have received exemption and special benefits.*

Difficulties surrounding a range of what could be called communication and access issues were also identified here. These were often associated with the increasing complexity associated with tighter targeting and monitoring.

*...forms for Centrelink have become longer and more complex as the government has tightened eligibility. They are confusing and for a person with poor literacy or language skills, quite daunting. Often at Centrelink (the) office queues can be long (and) it is not easy to have space and time to get help with the forms.*

One worker provided a specific example of how this complexity distressed the client, MacKillop worker and Centrelink employee:

*When attending (a) Centrelink interview with (a) single parent confusion, distress and anxiety were increased for the parent when the Centrelink officer could not give information on who would be exempt from new requirements to work/study on the grounds of (caring for) a child with (a) disability aged 13-16 years. Despite (the) officer's intention to be helpful, she too expressed frustration because she hadn't been given the information required for (the) new Centrelink regime.*

## ***Discussion***

92.3% of the families in the sample, not counting those participating in Disability Services, receive Parenting Payment. The adults in these families are completely disengaged from the workforce. Any welfare reform emphasis on active labour market policy is therefore unlikely to help them participate in society. Some of these policies may be appropriate for other welfare recipients, but they are not appropriate for marginalised families. This system will not work for them. While some of the initial discussions of the Welfare Reform Working Group took account of the social needs of marginalised families, the reality of *Australians Working Together* does not. Nor does it sufficiently address the up skilling of often young, single women to help them to enter the workforce. This study indicates that the extension of mutual obligation to the recipients of Parenting Payment, where there is already social isolation and complex need, will act as another burden in the lives of young families already overwhelmed with the requirements of the 'formal world'.

The data from this study also contradicts the assertion that an obligation to participate will reinforce community expectations and will encourage the minority of individuals who might be reluctant to take up appropriate opportunities' (RGWR, 2000: p 33). An obligation to participate on marginalised families will place them on a direct path of conflict with Centrelink. This is because, as put by one of the respondents, some marginalised families are 'perpetually in crisis' and the state of 'home crisis often overrides Centrelink obligations'. What is missing in *Australians Working Together* is an appreciation of the life and circumstances of marginalised families and how such legislatively enforced coercion will only have a detrimental affect on them through increased stress levels and forcing greater reliance on welfare organisations.

Given that the burden carried by welfare organisations has been increasing (ACOSS 2003, p.5), the further development of a minimalist, highly-targeted and punitive welfare regime will have serious implications for welfare organisations and the people they work with. The more legislation demands participation, the more families will turn to welfare organisations for support, which will lead in turn to the opposite of the other goal of welfare reform, namely increased social participation. Welfare organisations will, unhappily, continue to constitute the family's 'community'. Thus one practitioner commented:

*In some strange way we seem to be redefining community to include even those places like Job Network etc.*

Practitioners also fear that the demand of meeting new requirements will become the family's 'work' or goal instead of addressing their family circumstances. A practitioner remarked insightfully,

*Families will 'adjust' to the changes anyway they can. When working a case plan with families it is important for them to identify necessary goals/changes/wants/needs. The difficulty would be that a family's goals etc will be influenced by [Centrelink] changes and they will respond to them so they can keep receiving benefits rather than respond to the issues in their family which need changing/addressing.*

This concern clearly illustrates the clash of priorities between welfare reform and marginalised families. Participation cannot be obliged. An obligation reduces a family's freedom. Marginalised families, by definition, already have very few options. If policy makers expect that these families will 'adjust' under mutual obligation, they are only partly right: practitioners are suggesting they will adjust, but for the wrong reasons and in the wrong way, in order to keep receiving payments, which is not the desired effect of the welfare reform agenda.

*Australians Working Together* (AWT) was passed by the Commonwealth Parliament on 27 March 2003. According to the government's promotional literature, the 'AWT encourages people to help themselves and their communities'. The responses to question 10 (evidence of people being linked back to their communities), suggest that the Howard Government's welfare reforms have thus far had no impact in helping marginalised families help themselves and their communities. The probability of this happening with the introduction of AWT appears minimal. If the evidence of practitioners is anything to go by, there is a distinct possibility that the legislation will cause greater isolation in the form of inadvertent breaching and increased stress in reporting requirements.

Increased stress for families, due to increased demands and interventions by Centrelink, were by far the greatest concerns raised by practitioners in the survey. Even one interview per year (the requirement when the youngest child turns six) was considered likely to be a cause of stress for families that are in 'perpetual crisis'.

We asked practitioners to describe the possible effect of welfare reform changes – primarily the activity test requirements for Parenting Payment and the likelihood of breaching – on the children of marginalised families. Many of the families the practitioners are engaged with have children under the age of six, and the changes will not immediately affect these families. However, given their experience in working with marginalised families, practitioners predicted with some certainty that increased financial stress, if parents were breached, would be of major concern, played out for instance in an inability to meet school expenses and basic needs.

An often overlooked problem, as pointed out by one practitioner, is that many of these parents (mothers) have no work experience, having had children while in their teens. While this is one of the reasons behind requiring parents to attend a yearly interview once their child turns six as part of 'preparing for work', a greater incentive would be financial aid to train or retrain. Secondly, childcare and resources also need to be made available, as marginalised families have virtually no social resources. Obliging mothers to participate (whether it be a yearly interview or 150 hours of community work) will not

provide the kind of resources they need. What they most need are mentoring and companionship and connection back into the community.

Linking marginalised individuals and families back into the community is one of the stated goals of welfare reform. What needs to be kept at the forefront of policy discussion is the emerging irony that extremely marginalised families are now, de facto, finding their community in Centrelink and welfare organisations. As summed up by one practitioner: *Most families have no intention/are unable to plan ahead or even imagine a life without Centrelink.* The isolation of these families is not easy to address. The focus on economic capital and welfare reform through labour markets is in tension with government policy on community building. A greater emphasis in policy discussion needs to be placed on acknowledging human capital (for example in child-raising) and community building through the development of formal and informal networks.

The Personal Support Program (PSP) may offer hope here. However, while nearly all families in this survey were in receipt of the Parenting Payment, none were reported as being involved with the PSP. The lack of referral to this particular program may be due to a lack of understanding of its purpose. Alternatively, fear of another service being involved in their lives may also be a significant barrier to parents entering this program (but as the research in the literature review indicates, Centrelink clients are reluctant to reveal the kind of information that will trigger them being streamed into PSP programs). This situation may change as the new requirements take effect and as young children in families reach the threshold ages of six and thirteen. The evidence contained in questions 11 to 13 (above), however, suggests that many parents are already struggling with their Centrelink requirements.

Activity test requirements are more onerous for lone parents who do not have access to the resources and support networks to assist with their childcare responsibilities. As noted in the survey, a large number of lone parents in this sample experience more ‘barriers to employment, volunteering and training’ and, as a result, tend to have greater difficulty in understanding Centrelink requirements. Such barriers are not only obstacles to employment; they potentially isolate many families from other forms of participation in the community – forms that are less favoured than paid employment by the labour market focus of recent welfare reform. Further, those workers who are expected to assist marginalised families in other forms of social reconnection now find more of their time taken up in helping parents deal with the administrivia of obliged participation.

One practitioner reported awareness of a Youth Worker/Social Worker at a Centrelink office whose role was to engage young people and assist them with their income issues. We support Centrelink in the effort to become a community centred organisation, but the role of having to enforce breaches will undermine their capacity to build networks of trust in communities.

In many ways our findings echoed those of Ziguras et al (2003). The negative relationship between the number of ‘barriers to employment, job-training and

volunteering' and ease of understanding of Centrelink communications and processes is analogous to the negative relationship between barriers to employment (measured with a more complex scale) and positive attitudes towards activity impositions from Centrelink found by Ziguras et al (p.34). Similarly, in the MacKillop study many practitioners expressed concern about the complexity of the current AWT legislation causing confusion and anxiety for their clients (see questions 12 and 13), whilst Ziguras et al noted that people with mental health issues or a combination of barriers 'were confused and highly stressed' and had difficulties in keeping deadlines or appointments (ibid). This is especially disturbing in light of the high number of families presenting with mental health issues in this survey (see table 10, p.25 above) and the findings of Croft (2002a and 2002b), Parkinson (2003) and MHRI (2003) revealing that such people are often overlooked by screening and gateway systems.

Again, as with other studies, there was no difference between the amount of 'barriers to employment, job-training and volunteering' experienced by those in receipt of the DSP and those who were not<sup>12</sup> (see pp.11-12). Only 10 of the 18 families reporting a mental disability were engaged with a mental health worker whilst only six of these were receiving the DSP. There was also no relationship between the number of 'barriers' and the number of 'other services engaging with families' (see p.25 above). In other words, services are not corresponding to needs. In some cases this is only circumstantial evidence of a misallocation or non-allocation of appropriate resources to the families in this survey. However, the onus on MacKillop workers to identify such cases and provide remedial action is increased. This is in an environment where, due to the increasing complexity surrounding eligibility for and administrative requirements of Centrelink and other welfare and medical services, MacKillop workers are already quite heavily burdened (see questions 12 to 13). On top of this they are required to keep track of changes to policies and systems in order to act as facilitators and advocates for clients.

The general trend of recent welfare reform is the tightening of eligibility requirements associated with an increase in 'reciprocal' or 'mutual obligation' owed by the welfare recipient, exemplified by changes to the Parenting Payment. The consequence is the need to develop schemes like the Personal Support Program to exempt the most vulnerable from the most onerous obligations and to provide support aimed at (eventually) promoting access to paid employment. The evidence suggests, however, that this is not working for many of Australia's most vulnerable people. The withdrawal of formal financial and other means of support is likely to have a negative impact on marginalised families. It would seem that narrower targeting makes the target harder to hit. Similarly, raising the activity requirement bar may make it too difficult to clear for many marginalised families.

Long term support should entail not only financial stability, but also the resourcing of formal and informal social networks. Marginalised families do not fit into a one solution fits all scenario. Being marginalised means that the community often rejects and forgets these young families, who have little extended family support, and then as a result

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<sup>12</sup> Effective allocation to this program would suggest that Disability Support Pensioners would have more barriers, although the magnitude of any particular barrier is not measured here.

become embedded in the welfare system. Welfare reform should not be the burden of the marginalised, but be the responsibility of the community at large.

## *Conclusion*

This study aimed to gather information on, and to better understand the circumstances of, marginalised families in order to assess the possible impact of the *Australians Working Together Act*. In particular we were interested in the impact of the new activity test requirements on the recipients of the Parenting Payment. We wanted to ascertain the likely implications the welfare reform changes would have for practice and then develop appropriate recommendations for policy and advocacy.

This study was exploratory in nature and as such has helped to build upon our knowledge of the lives of marginalised families and the likely impact of welfare reform. We have clarified a number of important issues affecting marginalised families, such as the style of communication with Centrelink and the barriers families face. Family responsibilities constituted the greatest barrier to participation, followed by mental health issues. With respect to marginalised families, there needs to be greater balance in policy discussion between obliging labour market participation and resourcing social participation as parents.

With regards to mental health issues, we discovered only 10 out of 18 were engaged with a mental health worker and only 6 were receiving the Disability Support Pension. This finding reinforces what Parkinson and Croft discovered about the inadequacies of the JSCI. People are reluctant to report mental health issues and therefore are easily hidden in Centrelink's assessment criteria. We found that none of the 36 families in our survey were engaged with the Personal Support Program despite it being the program most suited to the needs of marginalised families. This study confirmed our suspicions that the new activity test requirements as outlined in the *Australians Working Together Act* would most likely increase stress on marginalised families due to increased demands and contact with Centrelink and increased fear of breaching and penalties. A related concern was the impact of breaching on children. Practitioners predicted greater financial stress in meeting school related expenses.

Of particular interest was the finding that there was little evidence (the exception referred to young people accessing education programs) that welfare reform had linked marginalised families closer to their communities. Practitioners pointed out that the changes legislated through the *Australians Working Together Act* would actually increase the reliance on a worker, especially for emotional support and explanation of Centrelink requirements, which often cannot be provided by friends, family or broader community members. In other words, the more entrenched a family is with the welfare system, the more specialist information is required by families and, therefore, the greater reliance there is on practitioners rather than on informal social networks.

This study also highlights the irony of Centrelink and welfare organisation becoming a de facto community for some marginalised families. A marginalised family's isolation can be so great that the only contact they experience with the world is that of Centrelink and welfare organisations through their 'worker', who becomes their friend, confidant, in some cases parent, advisor and financial councillor.

Practitioners indicated that there was a major likelihood of increased stress on marginalised families. This increased stress was going to be caused by greater involvement with Centrelink, with yet more hurdles via activity tests, in order for parents to keep receiving payments. Practitioners then observed that marginalised families are more likely to shift their priorities to meet Centrelink requirements, rather than working toward the goals established with practitioners to address the issues which have caused these families to be in crisis.

We would argue that participation cannot be obliged. Obliging the already marginalised through coercion and penalties will only increase their isolation and add further barriers to their participation in society. We acknowledge the value of participation through work, but insist that work is not the most valuable form of social participation. The government's emphasis on competition, productivity and economic growth unfortunately is not matched by similar emphasis on building communities and strengthening social capital. We need more than pilot projects.

We have argued that a one solution fits all scenario will not work for marginalised families. The lives and issues of marginalised families are much more extreme and complex than those of an average family. Communications from Centrelink that come via the mail will only add to stress. Personal Support Programs may meet needs, but there is no evidence of this happening yet. Families will need help to understand the importance of interacting with Centrelink to avoid breaching. Practitioners have made recommendations for improved Centrelink practice including home visits, child care facilities/service and a reduction in waiting times.

The immediate implication for practice under the current welfare regime is the likely increased involvement of practitioners to act as advocates, translators and general go-betweens for Centrelink and families, but we note that this runs against encouraging families to be independent of welfare services and working towards self reliance. Clearly, better practice with marginalised families will focus on the one hand on addressing causes of isolation and, on the other, on resourcing and developing formal and informal social networks. If social participation is a goal of welfare reform, then welfare legislation has to move in this direction rather than focus on obligations to participate.

Our recommendations for practice, see below, primarily revolve around establishing ways for practitioners to be kept informed of welfare reform requirements, to anticipate demands on families and to develop effective interventions. Similarly, the recommendations for policy changes are designed to place greater emphasis on resources for social inclusion, rather than legislating obligations that will only increase marginalisation.

## ***Recommendations***

The following recommendations are divided under the headings of social work practice, Centrelink protocols, welfare reform policy, potential design improvements and further research.

### **Social Work Practice**

Practitioners will be able to support clients better in the current welfare environment if a closer interface between practitioners and Centrelink can be established on two levels. In general, there is a need for Centrelink policies and processes to be more easily accessed and utilised by both practitioners and families. While Centrelink has open days and tries to establish lines of communication, family support workers do not receive the invitations or are inevitably too stretched to be able to participate. Secondly, there is a need to work collaboratively with individual clients to assist with administrative processes and to ensure more effective streaming into appropriate programs.

Both these moves will demand more from already over-worked practitioners and over-stretched welfare organisations, placing further demands on limited resources. From a broader perspective, organisations must continue to campaign for adequate funding and a fairer welfare system. Main recommendations:

- Establish a way for practitioners to be kept informed about welfare reform requirements, potential developments, and opportunities;
- Anticipate stresses in dealing with Parenting Payment obligations by building better communication with Centrelink;
- Increase community building dimension of service delivery to individual families;
- Explore resources that may be available through the Personal Support Program;
- Help families understand the importance of interacting with Centrelink.

### **Centrelink Protocols**

The following is a list of suggestions put forward by practitioners in response to survey question 4, 'Suggestions to improve access with Centrelink':

- For Centrelink workers to do occasional home visits;
- Instead of sending Centrelink forms, ring the parent to make an appointment so a social worker can then [help] fill out forms;
- Child care to be available at Centrelink offices;
- More assertive outreach by Centrelink to engage families in a positive way;
- Centrelink to visit homes where a partner can interpret or is literate;
- Acknowledging family/individual feelings;
- Greater flexibility at time of introducing/during change and for staff to explain change;

- Quicker phone response from Centrelink;
- Drop in rather than appointments;
- Reduce waiting times;
- A system empowering people who are illiterate;
- Verbal reporting of information over the phone.

### **Welfare Reform Policy**

Eardley (2002) suggests that models... of ‘good policy’ can be found in countries like Denmark and Sweden ‘which have both extensive welfare provisions and high rates of sole parent employment’ (p.21). This was related to the provision of ‘substantial support to enter work, both in the form of municipal child care, education and training and other employment assistance’. We support the development of a broader base for welfare reform and note that:

- The current policy does not work for marginalised families;
- There is a conflict between state and federal community building policies and a welfare reform policy based on labour market participation;
- There is an irony in creating a community around welfare organisations and Centrelink;
- Special processes are needed for mentoring individuals and resourcing social networks;
- The focus on labour market participation and economic productivity diminishes the importance of parenting, human participation and social benefits.

### **Research Design Improvements**

More detailed information identifying and describing ‘families’ would have been useful. For example, the ages of children would help to identify which families would be subject to recent changes to Parenting Payment requirements. Presently it is also difficult to identify multiple adult households as couples or single, unattached cohabitants.

More worker involvement in the research design would help to identify important issues and promote a sense of ownership, hopefully increasing the quantity and quality of responses. The lack of responses to some questions in the current survey may reflect a need for clarifications that might have been better accommodated by a face to face interview.

Randomisation of sample selection would have allowed more reliable inferences to be made about the families in involved.

It is planned to revisit this survey in the near future to track the impact of the activity test requirements on marginalised families

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## *Appendix A: Practitioner Survey Form*

### MacKillop Family Services Welfare Reform Changes on Marginalised Families Survey of 5 families

**Your Name:** \_\_\_\_\_

**Service:** \_\_\_\_\_

**Program:** \_\_\_\_\_

1. What Centrelink payment/s do our families receive? Please take five typical case files and number them 1-5 for consistency throughout the survey. Please indicate with a tick. For 'other' please see the Briefing Paper.

Family No.	Parenting Payment	Child Care Benefit	Disability Support Pension	Fam. Tax Benefit, esp Part B	Special Benefit	Newstart	Youth Allowance	Income from work	Other (please specify)
1									
2									
3									
4									
5									

- 1a. What proportion of your **overall** caseload would receive Parenting Payment? Example, 7/30.

\_\_\_\_\_

2. What type of house and household (HH) arrangements are these families experiencing? Please indicate with a tick.

Family No.	No. of adults living in HH?	No. of Children living in HH?	Public Housing	Private Housing	Rental Assistance	Public or Transitional Housing?	Length on Waiting List in months?
1							
2							
3							
4							
5							

3. Please indicate with a tick if these families receive a concession or health care card. (See Briefing Paper)

Family	Health Care Card	Concession Card
1		
2		
3		
4		
5		

4. What are the means of **Communication** with Centrelink?

4a. Client to Centrelink (please tick appropriate box)

Family	Mail	Internet	Landline	Mobile	Face to Face	Other (Please Specify)
1						
2						
3						
4						
5						



4d. Please describe what makes it difficult and easy for access and any suggestions for improvement.

<b>Family</b>	<b>Reasons for difficulty with access</b>	<b>Reasons for ease of access/suggestions to improve access</b>
1		
2		
3		
4		
5		

5. Are any of the adults involved in the Personal Support Program? (See Briefing Paper)

<b>Family</b>	<b>Yes (Please Tick)</b>	<b>Comments/How would you evaluate their experiences and outcomes?</b>
1		
2		
3		
4		
5		

6. What other services are these families required to engage with? Please Tick.

<b>Family</b>	<b>DHS</b>	<b>Mental Health Worker</b>	<b>D &amp; A Worker</b>	<b>Financial Counsellor</b>	<b>Other (Please specify)</b>
1					
2					
3					
4					
5					

7. What circumstances would prevent our families from working, doing job training or volunteering? Please Tick.

<b>Family</b>	<b>Mental Health</b>	<b>Physical Health</b>	<b>Limited Work Experience</b>	<b>Family Responsibilities</b>	<b>Language difficulties</b>	<b>Other (please specify)</b>
1						
2						
3						
4						
5						

8. How might the proposed Medicare changes affect our families, if at all? (See Briefing Paper)

Family	Possible affect on family
1	
2	
3	
4	
5	

9. Are you aware of any negative consequences from the welfare reform changes since approximately 1999? Breaching regulations, shifting in payment types (and therefore amount of money received) mutual obligation? Please explain with an example or comment.

Family	Breaching	Shifting in payment	Mutual obligation	Other
1				
2				

3				
4				
5				

10. Is there any evidence that the changes in welfare reform have linked any of the families that you have worked with back into community or have helped them in anyway to address their isolation? Please explain with an example.

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11. Example/Case Study. Please describe the possible affect these welfare reform changes might have on the children of these families?

**Example/Case Study**

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12. What difficulties arising from welfare reform might there be for you as practitioner working with families?

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13. Are there any other issues you have on this topic to bring to the attention of the Practice and Policy Unit?

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Please return to [suzanne.mcmanus@mackillop.org.au](mailto:suzanne.mcmanus@mackillop.org.au), or fax to Suzanne McManus at 9696 6496 by **Monday 4 August**.

## *Appendix B: Statistical Analysis Terminology*

**1. t tests.** Independent-measures t tests are used to test whether a difference in scores for two groups are likely to be ‘affected’ by specific characteristics defining each group. For example: **‘Having a language barrier affected ease of understanding scores (t<sub>35</sub> = -1.87, df = 33, p < .05).’** In this case, the two groups are 1: not identifying a language barrier and 2: identifying a language barrier. **t<sub>35</sub>** indicates that the t score has been generated from a sample of 35 cases. **-1.87** is the t statistic which is analogous to the difference found between the scores for the two groups divided by the difference that would be expected by chance. **df = 33** signifies ‘degrees of freedom’ (sample size – 2, for a two tailed test) which determines what value the t statistic needs to be for us to assume that the difference is beyond what would be expected to occur by chance. Hence: **p < .05**, indicating that the chance of this difference occurring due to random differences is less than 5 in 100.

**2. Correlations (Pearson’s r).** This technique is used to measure how much a change in one variable is associated with change in another. For example: **The number of barriers did not correlate with the number of other services engaged with the families in the sample (r = -.03, p > .05).** Here, the two variables are the number of ‘barriers to employment job training and volunteering’ and number of ‘other services engaging families’. **r = -.03** indicates the correlation coefficient which could be conceived as the degree to which both variables vary together divided by the degree to which they vary separately. A positive value means that an increase in the value of one variable corresponds with an increase in a value of the other whilst a negative value indicates the opposite. **p > .05** signifies that the correlation here had a greater than 5 out 100 chance of occurring due to random factors in the sample rather than being an effect of a ‘real’ correlation in the population from which the sample is taken.

**3. Order of least squares regression analysis (Beta, B and Adjusted R square).** These measures are similar to Pearson’s r but are used to measure the effect(s) of several (independent) variables on one (dependent) variable. For example: **the ‘number of barriers to employment job training and volunteering’ has a moderate effect on the levels of understanding of Centrelink with an extra barrier increasing the difficulty of understanding by 13.6% (.68 times .20 or 1/5) on average (beta = .47, p < .05).** The content of the last set of parentheses in this sentence can be treated exactly as if it were a score for Pearson’s r for the purposes here, with beta substituting for r. The .68 in the penultimate set is the unstandardised coefficient (B as seen in table 8). This figure is the average change in the dependent variable (ratings of ease of understanding) associated (it is tempting to say ‘caused’ for ease of explanation) with a unit of change in the independent variable (that is with the addition of an extra ‘barrier’). Adjusted r squared (found in the final row of table 8), simply put, summarises the amount of variation in ‘ease of understanding’ scores that is ‘explained’ by variation in the independent variables listed in table 8. Table 8 is an example of a regression model.