



CPSU (PSU Group) Submission:

Job Seeker Compliance Review

July 2010

Background

The PSU Group of the CPSU represents workers in the Australian Public Service, the ACT and Northern Territory Public Service, the telecommunications sector, call centres, employment services and broadcasting. We are a national union with members in every state and territory. The CPSU is the principal union representing employees of Centrelink and CRS Australia.

The CPSU has prepared this submission after consultation with CPSU members at Centrelink and CRS Australia regarding the Terms of Reference for the Review.

While the majority of the feedback provided related directly to the operation of the first 12 months of the job compliance framework, CPSU members also raised concerns that those involved in enforcing compliance did not have input into the development of the new compliance framework. This is reflected in some of the comments raised in our submission and could have been alleviated if there was a closer link between policy development and service delivery – i.e. employees involved in the front line were properly consulted during the development phase of these changes.

In response to the Terms of Reference for this Inquiry, CPSU members identified issues regarding:

- 1) the effectiveness of the new compliance framework, including concerns about the enforcement of compliance;
- 2) increased compliance costs for job seekers, employment services providers and the Government;
- 3) the impact of the 'no show, no pay' provision on compliance and job seeking requirements;
- 4) the impact of the framework on vulnerable job seekers including job seekers of Aboriginal or Torres Strait Islander descent;
- 5) the impact of the compliance regime on employment participation and long-term unemployment;
- 6) the adequacy of training and understanding of the new compliance framework;
- 7) the adequacy of information and education provided to new and existing clients about the new system;
- 8) the adequacy of resourcing to implement the new arrangements and deal with related complaints;
- 9) the effectiveness and use of criteria such as hardship, vulnerability and reasonable exclusion within Comprehensive Compliance Assessments;
- 10) participation reports; and
- 11) the workplace safety of those applying the framework.

Summary of Recommendations

1. Streamlining administration and improving co-ordination between agencies.
2. Face to face training on the compliance framework for staff.
3. More accessible information for clients.
4. Increased resourcing for staff in Centrelink and CRS Australia to deal with the increased administration requirements of the framework.
5. Reviewing and improving safety and security policies and procedures in all workplaces, including implementing policies in CRS Australia where some staff reported that they knew of no formal workplace policies on safety and security.
6. Consideration of the introduction of remote area location exemptions.
7. Clarifying rules and processes required to implement the framework and their interpretation/application through a central point.
8. Reviewing work level standards for employees' classifications.

Issues

1. Effectiveness of the new compliance framework

While members reported that it was easier for most job seekers to comply with the new arrangements, some suggested that this was because the arrangements were not strictly enforced. Consequently, Centrelink members questioned whether the framework has actually led to overall improvements in compliance:

Job seekers are now complying less because Centrelink is so lenient in regards to enforcing participation reports/applying participation failures.

I feel that the current arrangements do not encourage compliance. I have been in PST (Participation Solutions Teams) since its beginning and feel there has been no improvement in compliance by the job seekers.

I have had clients who have not attended for 4 months but continue to evade appointments.

One CRS Australia member stated that they were “just not interested in policing compliance, because fundamentally I don't believe the current arrangements are at all effective.”

According to CRS Australia members, one of the reasons that the enforcement may not be as 'strict' as it could be is because the available actions to enforce compliance need to be strengthened and there is confusion over the application of the policies and procedures around the framework.

Specifically for job seekers, members indicated that there were some who opposed the changes and this led to problems with compliance. For example, one member commented that *“the ‘big stick’ approach makes some job seekers more defiant and another group more anxious and timid. There is little dignity in the process.”*

Despite these concerns, some CPSU members felt that the new system was better than the previous 8 week no pay penalty system.

Job seekers getting an immediate and small penalty for non-compliance has been significantly easier than the old 3 strikes and you get a big penalty. It is heaps fairer on non-compliant customers.

Think we are improving a difficult system - very difficult to tailor any system to be able to accommodate the diverse needs of recipient population that exists.

2. Increased compliance costs for job seekers, employment services providers and the Government

Most CPSU members reported that administrative costs to government had not been reduced by the new framework. Only a quarter of members believed that compliance costs had been reduced for Government. CPSU members commented that there has been an increase in administrative work in tandem with greater procedural requirements, this resulting in less time available for building relationships and working with clients seeking employment.

New Comprehensive Compliance Assessment (CCA) Specialists and Social Workers and call-centre staff have had to be hired to phone customers and remind them what their obligations are.

I feel that the time it takes to process failures has greatly increased which must result in higher operating costs for the government.

Greater use of paper, time to produce documentation, increased computer processing time, complex system which changes weekly causing inaccurate data and is difficult to achieve audit requirement.

There is so much red tape now! Staff are spending all their time on administration instead of developing and maintaining good working relationships with clients.

3. Impact of the 'no show, no pay' provision to increase compliance with job seeking requirements

The introduction of the 'no show, no pay' provision was a substantial change from the previous compliance framework. Despite the magnitude of the change, a majority of Centrelink members have stated that the new 'no show, no pay' arrangements have not been effective in increasing compliance. A CRS Australia member commented that "*the new 'no show, no pay' has only increased hardship and anger towards Rehabilitation Consultants.*" Another member stated that very few non-payments are "*applied as a result of the convoluted and ridiculous CCA process.*"

These comments raise concerns about both the complexity and lack of clarity around the application of the framework as well as safety for those enforcing it.

4. The impact of the framework on vulnerable job seekers including job seekers of Aboriginal or Torres Strait Islander descent

There was a mixed view from CPSU members as to the impact of the new compliance framework on vulnerable job seekers. Some members felt that Aboriginal clients are not adversely affected by these arrangements and others were quite strong in their comments that the framework, even with its changes continued to result in an adverse impact on certain groups. For example, members stated that:

The old 3 strikes and you're out, with a big penalty was much harder on Aboriginal and Torres Strait Islander customers. However, I do believe that special care should be taken to not impose requirements on these groups that they may not understand, or may be uninterested to comply with; not out of belligerence, but because of a different value structure, and different sense of what is important.

Of course they have. Some Indigenous people don't communicate well over the phone for a start. Those lucky enough to see a CSA (Customer Service Adviser) may need more time than others to absorb information but CSAs are pushed to get through walk-ins quickly, which can mean that not every customer has quality service.

Given their experience in assisting vulnerable job seekers, members commented on the need to reconsider the use of remote area location exemptions as it is difficult to service these clients.

People residing in remote communities should be some how exempt from compliance arrangements. In regional communities such as Coober Pedy, Ceduna, payment has to be restored as it is longer than 2 days before they can attend their next appointment. They may have an appointment booked with their provider again but they have gone back to

their communities and do not end up attending their appointment again and the cycle starts all over again with the suspension of their benefits causing them to come into Centrelink from their community but no appointments are then available with their providers as they are only visiting or a Job Capacity Assessor only does appointments one day per week etc.

Bring back remote area location exemptions, we can't service these customers, JSAP's (Job Services Australia Providers) can't service them either, language barrier too great.

These concerns suggest that there is a need to review the impact of the framework on vulnerable job seekers to ensure that they are not disadvantaged. Seeking the views of these job seekers as well as those who assist them is vital in ensuring the best policy response to redress these concerns.

5. Impact of the compliance regime on employment participation and long-term unemployment

Most members did not believe the new arrangements had a positive impact on the long-term unemployed. Members commented that the increased enforcement regime had no impact on job outcomes for this group and did not overcome barriers to improvement in people's lives.

Long term unemployed will still turn up, but their motivation to get a job has not increased with new measures.

Does not encourage long term unemployed to feel positive about the support they receive from Centrelink and just further puts them in hardship.

6. Adequacy of training and understanding about the new compliance framework

The extent of training and understanding of the new compliance arrangements by those required to administer the system were issues raised by members. Both at Centrelink and at CRS Australia, training had been provided in the new compliance framework, however, questions were raised about the quality and effectiveness of the training.

The information was advised over a one day training package of which was rushed and upon having to apply this we have all had to ask a C3 to help with information as it was quite overloading.

Further, some members raised concerns that the training was conducted when the program was rolled out and limited training had been conducted since. For example, Centrelink members indicated that there was no training for staff that

were unable to attend the initial training session and consequently staff understanding of the new compliance framework continues to be an issue.

No training for people who have been on extended leave – I don't know about these new compliance rules, although I have been back at Centrelink for 2-3 months.

I have received no formal training in 12 months.

A number of members in CRS Australia expressed concern that the only training provided was through an online Department of Education, Employment and Workplace Relations (DEEWR) module that had to be completed in their own time. The increased workload and limited training impacted upon staff's understanding of the new rules and procedures.

It is e-learning in your own time i.e. in between all other duties to achieve targets.

No training from CRS Australia apart from the online DEEWR modules containing some information on the changes was provided.

We are desperate for training.

CRS Australia offers no training with new compliance rules, we simply receive updates via email. CRS Australia management refuse to offer training. We are simply to refer to past MOU updates and look at the new system.

While most Centrelink members stated that there had been training to assist them understand the new compliance regime, they also commented that there was a level of confusion around the application of various aspects of the framework to individual clients. Similar to the Centrelink members' confusion over application of the framework to specific circumstances, nearly half of CRS Australia members identified unclear rules or processes as a cause of their compliance problems.

CPSU members commented that the rules and processes were confusing and open to interpretation, leading to inconsistent outcomes.

Some of the rules seem to be open to interpretation, which inevitably results in varying outcomes for customers.

Very inconsistently applied. Some disadvantaged people get penalised where other clients disregard rules and seem to get away with it.

The values and assumptions that this compliance system is based on is flawed! You are just punishing the genuine clients but the clients that are really abusing the system are still getting away with it!

Too many rules and regulations make the process labour intensive and draining.

Rules constantly changing making it difficult to keep up.

PST 'protocols' i.e. processes/policy at odds with the intent of legislation.

One member suggested that face to face training with the inclusion of case studies would assist in addressing staff questions about the new compliance framework.

7. Adequacy of information and education provided to new and existing clients about the new system

Members were divided on whether enough information was provided to clients on the new compliance framework. They did however note that the complexity of the system had resulted in difficulties for some clients. For example, one member stated that *"clients are already under enormous stress and the welfare system is hostile, not user friendly and difficult to navigate as a service user."* Another member commented that *"some people demonstrate a further level of disengagement. They report and demonstrate no real understanding of the spirit of the changes."* These comments suggest a need to improve the accessibility of information to clients.

8. Adequacy of resourcing for Centrelink to implement the new arrangements and deal with related complaints

CRS Australia and Centrelink members reported that the new compliance framework has led to increased workloads. One member working in a PST stated that there has been a *"huge influx of work, guessing approximately 200% work load increase since 1st July changes."* Another member commented that there was a *"huge increase in work, huge increase in staff stress, lowering of morale, less interest in work."* The comments raise significant concerns, not least for the health and safety of the staff but also the quality of service they are able to provide.

Most members from Centrelink and CRS Australia stated that there had been no additional resourcing to implement the new compliance regime. Centrelink members specifically reported that inadequate resourcing was in their view the number one cause of compliance enforcement problems.

9. Effectiveness and use of criteria such as hardship, vulnerability and reasonable exclusion within Comprehensive Compliance Assessments (CCAs)

While many members did not have direct experience in conducting CCAs those who had stated that vulnerability was extremely hard to verify on a case by case basis as there was often a wide variation in clients deemed to be vulnerable, with no guidelines to clarify these situations.

CRS Australia members reported that the use of hardship criteria within the CCA had not been effective. One member noted that *“a customer can be in hardship without complying with the hardship assessment guidelines.”*

Centrelink members also stated that the use of criteria within CCA was previously handled by senior staff but this has now been delegated. One member reported that in their workplace there had been delegation to staff at an APS4 classification. This level of delegated authority needs to be reconsidered within the scope of skills required for an APS4 position.

10. Participation reports

Problems related to the acceptance of participation reports were raised by a substantial number of members from CRS Australia. CRS Australia members reported concern about the assessment processes within Centrelink of reporting originating from CRS Australia. They suggested that the lack of cross-organisation cooperation made it difficult for both Centrelink and CRS Australia to effectively enforce compliance.

When I submit participation reports, the Centrelink officer rarely contacts me to discuss the situation. Therefore, often what occurs is that genuine clients get penalised and the recalcitrant ones get off "scott free".

Most of our participation reports were knocked back by Participation Team even though client had no valid reason and without conferring with case manager.

Most participation reports are rejected if the client says they are busy job seeking etc etc. Full CCA applications rarely have an outcome.

Clients have in the past told Participation Team that they did not get the appointment letter or were sick, without the Participation Team checking with the case manager.

Confirming this, a Centrelink member stated that *“PST staff have been directed to go to any lengths to find a reason to reject PRs (Participation Reports) –*

process is totally stuffed – job seekers on the phone for up to 3 hours. JSA's fed up with PRs being rejected.”

There is a clear need to improve the communication and practices between the two organisations and a need to consider what additional resources are needed and organisational changes that are required to enable this to happen.

11. Workplace safety of those applying the framework.

The safety of members must be a workplace priority. While Centrelink has taken steps to address client aggression, it is deeply concerning that a significant number of Centrelink and CRS Australia members reported increased client aggression from enforcing compliance.

Members indicated that concerns about client aggression have resulted in lenient enforcement of compliance. One member reported that compliance was not strictly enforced in Centrelink due to safety concerns.

Centrelink management and frontline staff take a slightly lenient view of the matter by accepting whatever reasons given for non-compliance to avoid dispute/confrontation with clients.

It appears that CRS Australia is behind Centrelink in terms of existing safety practices. For example, one CRS Australia member stated that there were no local security policies and procedures.

Can't use the compliance arrangements anyway due to personal safety concerns if job seeker becomes disgruntled about being reported, as no local security policy or procedure in place where I work.

Another stated that they were nervous about applying the compliance arrangements due to personal safety concerns.

Haven't been able to use it as no safety procedure in place locally in case job seekers become aggressive.

CRS Australia still doesn't realise or acknowledge safety risk. Centrelink staff only use first names on their name badges and letters to job seekers, but CRS Australia still uses full names so easy for disgruntled job seekers to track down staff and their families.

A review into existing safety and security policies and procedures is needed immediately to address the risks associated with increased client aggression and ensure staff are not put at any further risk.

Recommendations

The CPSU has a number of recommendations to address some of the issues raised in this submission.

1. Streamlining administration and improving co-ordination between agencies

Members have clearly identified the high administrative burden of the new system and that processes between Centrelink and CRS Australia need to be improved. A review into existing practices, to consider procedural and organisational changes to improve cross-agency communication and the streamlining of administrative tasks is required.

2. Additional face to face training on the compliance framework for staff

Staff, particularly at CRS Australia, would benefit from additional education about the new compliance framework. Confusion and a lack of clarity about rules and processes have led to inconsistent outcomes. Online modules are inadequate. Face to face training would allow a better understanding of the rules and allow staff to ask questions. Any training provided to staff must be during paid time, not during their own time.

3. More accessible information for clients

The complexity of the new compliance framework made it difficult for some clients to engage with the new system. More accessible and user-friendly information for clients is needed to explain the changes. Staff on the frontline should be involved in the development of this information to ensure that it is best tailored to engage with and be accessible to all clients.

4. Increased resourcing for staff in Centrelink and CRS Australia to deal with the increased administration requirements of the framework

The new compliance framework has increased the administrative workload of staff; however, for many there have not been increased resources to reflect these changes. Additional levels of resources and staffing levels are needed to ensure the increased workload can be managed and the quality of services provided to clients does not decline.

5. Reviewing and improving safety and security policies and procedures in all workplaces, including implementing policies in CRS Australia where some staff reported that they knew of no formal workplace policies on safety and security

The safety of staff must be of primary concern. Specifically, a review of existing safety and security policies must occur at CRS Australia and Centrelink immediately to address the increased risk with client aggression.

6. Consideration of the introduction of remote area location exemptions

Members have indicated that remote location exemptions should be reintroduced as there are major difficulties in servicing clients and barriers to compliance.

7. Clarifying rules and processes required to implement the framework and their interpretation/application through a central point

In addition to more training for staff, a central point to clarify any policy changes and to address any staff questions about rules and processes to ensure outcomes are consistent is needed.

8. Reviewing work level standards for employees classifications

Centrelink members indicated concern regarding the delegation of compliance assessments by senior staff. A review of work level standards to determine the appropriate classification level for staff required for compliance assessments is necessary. A review can determine if the delegation of these tasks from senior staff is appropriate.