

# Welfare Rights Centre

## Annual Report

July 2006 to June 2007

Prepared for 2007 Annual General Meeting

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# Introduction

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The Welfare Rights Centre is a Community Legal Centre which specialises in Social Security law, administration and policy. Established in 1983, the Centre provides expert advice and representation on Social Security and Family Assistance matters. Now in its twenty fourth year, the Centre currently employs 11 workers and benefits from the service of unpaid volunteer workers and its Board members to provide a wide range of services covering casework, policy analysis and advocacy, publications and community education.

## 1.0 Casework

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### 1.1 Casework service

The Welfare Rights Centre provides a casework service to people with income support problems that come under Social Security and Family Assistance law and to agencies assisting people with such problems. The aim of the Centre's casework service is both to achieve outcomes for individual clients and for classes of clients, and to utilise our casework to improve equitable access to income security.

The casework service comprises a telephone advice service, research, assistance with self-advocacy, written advocacy on behalf of clients and written or personal representation before the Social Security Appeals Tribunal (SSAT), the Administrative Appeals Tribunal (AAT), or the Federal Court in some cases. Advice is given on all aspects of Social Security and Family Assistance law and appeals. Further assistance may be provided in complex cases, matters of wide application and matters in which the client has no money at all or where they may not adequately represent their own interests.

Telephone advice and assistance is available between 9 am and 5 pm

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Monday to Friday. The Centre has a toll free number to facilitate access for clients in country and outer-metropolitan areas and a TTY for people with hearing impairments. Initial advice is generally provided by telephone, however, the Centre has an access and equity policy to ensure that people unable to obtain assistance by telephone are not disadvantaged.

The Centre's casework service could not function without the valuable contribution of unpaid volunteer workers. Their contribution is gratefully acknowledged in sections 3.3 and 6.5 of this Annual Report.

## 1.2 Casework statistics

The following statistics are compiled from information provided to us by our clients. Some clients choose not to provide some of their personal information. The percentages are calculated on the total number of people volunteering particular information and may not represent the complete picture. Nevertheless, they provide a good overview of the casework of the Centre.

### Number of clients

From July 2006 to June 2007 the Centre provided assistance to 3,111 clients as well as hundreds of referrals to other services. We provided clients with advice on 4,080 different matters and provided advocacy (representation in a review and/or appeal) for 633 clients. This advocacy included representation of clients in internal Centrelink reviews and with appeals to the Social Security Appeals Tribunal, the Administrative Appeals Tribunal and the Federal Court. Of the cases closed over the period, 55 involved formal Tribunal or Federal Court representation.

#### Age:

	<b>2005-06</b>	<b>2006-07</b>
0-18	1%	2%
18-34	19%	19%
35-49	24%	23%

50-64	18%	18%
65+	8%	8%
not supplied	30%	30%

### Gender

	<b>2005-06</b>	<b>2006-07</b>
Female	56%	56%
Male	39%	39%
not supplied	5%	5%

### Country of birth

The top twelve countries of birth of clients who disclosed country of birth was:

	<b>2005-06</b>	<b>2006-07</b>
Australia	70.3%	72%
United Kingdom	2.6%	2.6%
New Zealand & Cook Is.	3.6%	3.1%
Lebanon	2.5%	1.7%
China	1.3%	1.2%
Vietnam	.9%	1.1%
India	.6%	1%
Iraq	.9%	.8%
Iran	.5%	.8%
Greece	1%	.8%
Philippines	.6%	.8%
Italy	.8%	.8%

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## Clients of Aboriginal or Torres Strait Islander background:

2% of all clients identified themselves as being of Aboriginal or Torres Strait Islander background, or both.

## The most common payment types for matters over the period were:

Disability Support Pension	20.8%
Newstart Allowance	20.3%
Parenting Payment (single)	11.6%
Age Pension	10%
Youth Allowance	7.8%

### 1.3 Casework issues during 2006-2007

The most resource-intensive issue for our advice and casework service continues to be related to the raising and recovery of Social Security and Family Tax Benefit debts - particularly where the client is at risk of criminal prosecution in respect of their debt.

#### Debts

This year the Centre focused on Parenting Payment, Disability Support Pension and Carer Payment debts caused by the non-assessment of income, where our clients were overpaid despite the fact that their income was properly assessed by Centrelink for the purpose of assessing Family Tax Benefit entitlement. These debts are extremely unfair as our clients have notified Centrelink of their earnings, and changes to their earnings, and believe that Centrelink will use this to assess their entitlement to ALL their payments. They generally do not have any understanding of the differences in the income tests for payments, allowances, pensions and Family Tax Benefit.

#### Suspension of payments

Since the new penalty regime was implemented in July 2006, the Centre's

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caseworkers have spent considerable time advocating on behalf of clients who have had their payments “suspended” or “blocked” while Centrelink undertakes an investigation into whether they should have the payment “suspended” for an eight week no payment penalty period. In these cases, Centrelink staff have maintained “no decision has been made”, notwithstanding the fact that our clients are not receiving payments, and in some cases have not received payments for over eight weeks. This has proved extremely frustrating, as we are unable to lodge appeals and seek “continuation of payment pending the outcome of review” for our clients until a decision has been made.

### Prosecution and debt waiver

The Centre is regularly contacted by clients who need advice as they have been asked to attend a Centrelink prosecution interview, or because their matter is being referred to the Director of Public Prosecutions, or because they received a Court Attendance Notice. Where there is a chance that their debts could be waived the Centre will generally assist these clients, in the hope that criminal proceedings will be dropped (although this is not always the case). What is distressing is that many of our clients cannot be assisted through administrative review but need experienced representation before the criminal courts, and this is often not available or not affordable. It highlights a major gap in our Welfare Rights service that we are attempting to remedy in 2007/08.

### Marriage-like relationship debts

“Marriage-like relationship”/“member of a couple” cases are some of the most resource intensive matters run by the Centre. Each year we continue to assist large numbers of mainly women clients appealing against decisions to raise large debts (often between \$30,000 and \$80,000). In some cases the debt has been raised because Centrelink has effectively changed its mind about a client’s situation - the client having informed Centrelink that they were “living under the one roof” as an ex-partner/father of the children from day one. The officer considering their claim concludes that the client is living

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as a single person and payment is made. Years later, with no new facts coming to light, Centrelink (ie, a different officer, with a different view of the situation), decides that the person was never entitled to Parenting Payment Single as they are retrospectively deemed to have been in a “marriage-like relationship”.

### Asset test issues

Increasingly the Centre is noticing perverse results from the application of the assets test. In particular, this results from cases in which a number of older clients have allowed their children to obtain a mortgage over their home (for the children’s business, or for the children to purchase their own home). In return the children make the mortgage repayments and our clients have nothing further to do with the matter. Under Social Security law, the amount borrowed against the house is treated as a “loan” from our clients to their children, and the amount unpaid is treated as a “financial asset”. This is despite the fact that our clients get no financial advantage in these situations. They are disadvantaged as their fortnightly pension payments are reduced, and often debts are raised for past periods because our clients do not recognise the mortgage over their home as an “asset” that they need to declare to Centrelink.

### Department of Employment and Workplace Relations (DEWR) appeals

Again this year the Centre has noticed a further increase in the number of DEWR appeals to the AAT. In addition, DEWR is increasingly briefing matters out to the Australian Government Solicitor, who in turn briefs counsel (and even Senior Counsel in one AAT matter). In addition to the basic unfairness of such unbalanced representation, this also has the adverse effect of increasing costs, formalities and delays in proceedings before the AAT.

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# 2.0 Policy Report

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## 2.1. The aim of policy advocacy

### Goals

The Australian Social Security system is a very complex, tightly targeted and intrusive system of residual income support. Whilst the bulk of rights and entitlements, obligations and responsibilities are set out in legislation, increasingly many of these provisions are being shifted to policy guidelines. In this context, and in a situation where the Government of the day has almost total control of the legislative process, through having the numbers in the Senate, policy advocacy for Social Security protection and reform becomes even more critical.

In these circumstances it is important for the Welfare Rights Centre to have a clear set of goals to guide its increasingly important law reform and policy advocacy activities. Currently, these goals are:

1. to develop and advocate proposals for reform of Social Security legislation, administration and Government policy in order to minimise hardship and poverty in Australian society in general, and for Social Security recipients in particular;
2. to ensure that the Social Security system is:
  - based on rights and entitlements, responsibilities and obligations which are clearly stated in legislation and enforceable,
  - administered under clear, publicly accessible policy guidelines, and
  - characterised by a robust review and appeals systems that allows individual decisions to be challenged; and
3. to promote fair and accessible administrative law particularly in the field of income support.

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## Implementation in 2006 – 2007

Over the last year the Centre, in partnership with the National Welfare Rights Network, has been engaged in a very active program of law reform and policy advocacy aimed at achieving these goals.

### 3.1 Introduction - work shared with National Welfare Rights Network

Most of the Centre's policy advocacy is done in conjunction with, and often for and on behalf of the NWRN. Most of this work has been summarised in the special Policy Report that is attached to the President's Report in the NWRN Annual Report. Set out below is therefore just a brief summary of some of the highlights of the policy work that Sydney was particularly involved in.

### 3.2 Papers and presentations

In 2006-2007, the Centre addressed and/or presented papers at the following conferences.

- When Welfare to Work and Work Choices Collide: Welfare To Where? Conference, University of Queensland;
- Jobs Australia Conference: Compliance and Welfare to Work;
- Public Forum, Welfare to Work, Marrickville Council;
- Politics in the Pub – Welfare to Work;
- Welfare to Work, Evatt Foundation;
- Welfare to Work, TAFE Outreach Coordinators;
- Work Choices and Welfare to Work, NACLCL Conference, Illawarra;
- Disability Employment Network Conference: Social Security for Beginners;
- UTS Disability Network: Welfare to Work;
- Melbourne Institute of Applied Economic and Social Research, Economic & Social Outlook "Making the Boom Pay" conference;

- Welfare to Work and Salvation Army Conference;
- Current issues with the Personal Support Program, NESA Conference;
- Mental Health and Welfare to Work: Western Australia Mental Health Association conference;
- NSW Mental Health Coordinating Council conference on Welfare to Work and Mental Health;
- NWRN, BSL, ACF & CIA Roundtable on “Equity in Response to Climate Change”;
- Melbourne Institute Seminar, Canberra; and
- National and Area Participation Solutions Team, Sydney about eight week no-payment penalties.

### 3.3 Submissions

The Centre contributed to the preparation and presentation of a number of submissions to Senate Inquiries including:

Proposed Centrelink search and seizure powers legislation (withdrawn during Inquiry); and

Department of Employment and Workplace Relations (Vocational Rehabilitation and other Welfare to Work Measures) Bill, 2006.

### 3.4 Liaison with Government agencies and departments and community agencies

Over the year the Centre contributed to the Network’s delegations in Canberra where we met with representatives from a range of Government departments and agencies, including Centrelink; Department of Employment and Workplace Relations and the Job Capacity Assessment Branch of the Department of Human Services.

We also held meetings with the NSW Audit Office, Commonwealth Ombudsman, Australian National Audit Office, and Privacy Commissioner.

Welfare Rights also worked collaboratively with a large number of

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community organisations over the year including ACOSS; Australian Federation of Disability Organisations; National Council for the Single Mother and Their Children; Australian Association of Social Workers; Blacktown Interagency; Jobs Australia; Disability Employment Network; NESAs; Catholic Social Services; St Vincent de Paul Society; and People with Disabilities NSW.

### 3.5 Media

On behalf of the Network we spoke to the media about a wide variety of Centrelink and income support issues, with the most consistent topics being the new compliance regime, eight week no payment penalties and Centrelink privacy breaches.

Other important issues which we raised in the media included support for maintaining current activity testing exemptions for refugees; payment of Centrelink debts by credit card; Centrelink and DEWR hiding details about welfare changes from parents and the abolition of CDEP.

### 3.6 Other policy

The first year of the Welfare to Work changes proved to be busy and challenging for the Welfare Rights Centre. Highlights of major policy work undertaken by the Centre are listed below.

#### Financial Case Management

The Welfare Rights Centre exposed Hillsong Émigré as the largest non-Government provider of Financial Case Management services in Australia. Even Hillsong was surprised at this because it only had a few outlets with Financial Case Management contracts. In response to a boycott call from the NWRN, most other organisations in the community welfare sector refused to bid for this “dirty work” leaving Hillsong holding the baby.

#### Penalties

In the first year of the “Welfare to Work” changes the new penalty system imposed eight week no payment penalties on 15,509 people. This cut \$27.2 m out of the pockets of some of the most vulnerable people in the system and

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produced a saving of the same magnitude for the Government.

A major problem with the new penalty system is that Centrelink often places a “hold” on a person’s payments until it makes a determination about whether it should impose an eight week no payment penalty. We have taken this matter up with the Commonwealth Ombudsman.

### Pensions at risk

The Welfare Rights Centre wrote to the Minister about problems with the “grandfathered” Disability Support Pension (DSP) group. The main problem is that should they seek assistance from an employment service provider in looking for work on a voluntary basis, they are required to undergo a Job Capacity Assessment, which may result in them losing their DSP altogether as the Job Capacity Assessor considers that they are no longer eligible for the DSP.

### Equity in our national response to Climate Change

The Centre represented the NWRN at a Roundtable conference about “Equity in our national responses to climate change” which took place in Melbourne in March 2007. The Roundtable event proved to be significant in that it:

- brought together the enormous but non-intersecting expertise of both the community welfare sector and the environmental sector to address a very important emerging policy issue;
- produced significant commissioned research on the actual likely impact of a carbon price (in whatever form - carbon tax or emissions trading scheme - on low income /Social Security households relative to high income households); on what is happening in Australia (very little) and on what has already been done and is to be done in the UK (a decade ahead of Australia); and
- encouraged many groups in the community welfare sector to become involved in the emerging equity issues and gave some basic information and clear direction for policy advocacy.

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## Challenging jobseekers

The Welfare Rights Centre provided feedback to the Department of Employment and Workplace Relations on a problem that it is encountering with increasing regularity – namely clients who, due to having no insight into their mental health condition, refuse to undergo a Job Capacity Assessment, or will not claim DSP. We have made a number of policy suggestions in relation to this issue.

### 3.7 Projects

Milena Heinsch, a 4<sup>th</sup> Year Social Work Placement from the University of Newcastle undertook intensive casework at the Centre and wrote a draft submission on Indigenous Australians and Social Security penalties.

# 3.0 Community Education and Training and Volunteer Workers

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## 3.1 Long term goals

The community education and training goals are:

- to provide high quality, accessible and targeted community legal education;
- to ensure that the work of the Welfare Rights Centre is widely known and supported throughout NSW in order to maximize its accessibility and strengthen community support for the Centre;
- to ensure that the Welfare Rights Centre plays an appropriate role

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within, and for the advancement of, the Community Legal Centre movement in Australia.

### 3.2 Education and community liaison

In 2006-2007, the Centre continued with the aim of targeting the most disadvantaged groups for community education. The Centre held over 50 training seminars for community organisations, including youth centres, Migrant Resource Centres, women's refuges, accommodation services, hospitals, youth and migrant interagency meetings, financial counsellors and TAFE colleges. Information was provided about the rights and entitlements of Social Security recipients and the role of the Welfare Rights Centre. More in-depth training about specific Social Security payments was also provided to youth organisations, migrant services and financial counsellors in particular. Most seminars/workshops held in the 2006-2007 year were focused on Welfare to Work.

### 3.3 Volunteer workers

The Centre's volunteer workers program continued with a number of individual induction sessions for prospective volunteer workers being held throughout the year. The number of volunteer workers at the Centre has remained at about 20 at any point in time with some people leaving due to paid employment or study commitments. Ongoing training is provided to volunteer workers and their contribution is acknowledged with two social functions each year as a small token of our thanks. Feedback from volunteer workers suggests that people enjoy their time with the Centre and feel they gain both skills and knowledge from the work at the Centre. The best evidence of this is that seven of the current staff at the Centre have been volunteer workers at the Centre at some stage before they were employed (see also 6.5).

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# 4.0 Publications

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## 4.1 Long term goals

The Centre's overall publication goals are: "To produce and distribute clear, informed, effective and targeted, information and policy advocacy material designed to:

- increase accessibility to the Social Security system;
- educate and empower the community about Social Security issues, payments and rights; and;
- improve the Social Security system in Australia."

In pursuit of these goals, the key publications for 2006-2007 were:

## 4.2 "rights review"

"rights review" is the quarterly newsletter of the Welfare Rights Centre. Its purpose is to:

- provide information on recent changes to Social Security law and administration;
- raise awareness of Social Security matters;
- assist community workers to help their clients; and
- promote the services provided by the Centre.

In 2006-2007 "rights review" reported extensively every three months on changes to Social Security law and administration and in particular on the impact of the Welfare to Work changes with regard to the new penalty system.

## 4.3 The Independent Social Security Handbook

In 2006-2007 the Centre continued to produce the ONLINE EDITION of the "Independent Social Security Handbook".

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The primary purpose of the Handbook is to inform community workers about Social Security law and Centrelink administrative practices and to assist them to better advocate for their clients with regard to Social Security payments.

The ONLINE EDITION was updated four times on time during 2006-2007 to take into account changes to Social Security law and policy. We also added a chapter on AUSTUDY.

The ONLINE EDITION continues to be available free to community workers in NSW, Western Australia, Tasmania and South Australia due to arrangements made between the Centre and the relevant state government welfare departments in each state. In 2006-2007 the Centre entered into a partnership with the Queensland Department of Communities to make the ONLINE EDITION available to community workers and state government employees in Queensland from July 2006.

#### 4.4 Factsheets and brochures

The Centre has more than 30 Factsheets available to assist and inform people about Social Security matters. Two Factsheets are available in five languages other than English (Spanish, Mandarin, Serbian, Arabic and Vietnamese). A complete list of the publications produced by the Centre and the NWRN can be found on the NWRN website.

#### 4.5 National Welfare Rights Network Website [www.welfarerights.org.au](http://www.welfarerights.org.au)

The NWRN's website, which is hosted and managed by the Welfare Rights Centre, Sydney, has over 300 pages of information to assist people with Social Security and welfare rights matters. The website is constantly maintained and updated by the Centre's Administrator.

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# 5.0 Funding

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## 5.1 Major funders

Funding for the period 1 July 2006 to 30 June 2007 was received from:

- NSW Department of Community Services – \$351,174
- Commonwealth Government - Welfare Rights Program – \$216,138
- CLC Funding Program - (NSW and Commonwealth Governments) – \$105,218

## 5.2 Welfare Rights Trade Union and HESTA Programs

During this period the Centre continued to provide service to and receive support from the following unions involved in its Trade Union Welfare Rights Program:

- NSW Teachers Federation;
- NSW Nurses Association;
- NSW Independent Education Union;
- NSW Branch of the Australian Liquor, Hospitality and Miscellaneous Worker's Union (Miscellaneous Workers Division);
- Public Service Association (NSW); and
- Police Association of NSW.

In addition, the Centre has continued its service arrangement with HESTA under which HESTA members who are injured or ill and without income support are provided with advice and assistance in relation to their Social Security entitlements and Disability Income Benefit (DIB).

The Centre is greatly appreciative of this support and the opportunity it provides the Centre to assist low income working people. Throughout the

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2006-2007 period, the main features were:

- advising and representing trade union and HESTA members with regard to their Social Security matters;
- providing quarterly bulletins to each union with updates of changes to Social Security Law; and
- writing articles for publication in trade union journals to inform readers about their correct Social Security entitlements.

### 5.3 Income generation

In addition to the revenue from casework services to HESTA and the trade unions above, the Centre also continues to generate further income through sales of the newsletter (“rights review”) and sales of the ONLINE EDITION of the Handbook.

### 5.4 Auditor’s Report

The audit for this period was conducted by Kazzi and Associates. The Auditor’s Report forms part of this Annual Report and is attached at section 7.

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# 6.0 Management

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## 6.1 Board of Directors

Throughout the period the following people played the very important role of planning and overseeing the Centre's work in their capacity as members of the Board of Directors.

## 6.2 The Directors who held office at any time during 2006-2007 were:

Estelle Adamek

Liz Biok

James Campbell

Diana Covell

Tony Eardley

Carol Howard

Alan Kirkland (Chairperson)

Megan Magnusson

Terry Mason

Kerry O'Neil

Cristina Pebaque

Details of each of these Board Members are set out in the Auditor's Report.

## 6.3 Paid workers

Throughout the period, the following people were employed in a full-time capacity.

Dianne Anagnos – Solicitor/Caseworker

Melissa Coad – Education & Community Liaison Officer

Lua De Burgh – Administrative Secretary

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Jackie Finlay – Principal Solicitor  
Linda Forbes – Casework Coordinator  
Catalina Loyola – Administrator  
Amie Meers – Handbook Researcher / Caseworker  
Gerard Thomas – Policy and Media Officer  
Michael Raper – Director  
Danny Shaw – Publications Officer / Caseworker

#### 6.4 Paid workers – part-time

The following people were employed on a contract basis and in a part-time capacity.

Sam Trinity – Financial Administrator

#### 6.5 Volunteer workers

Any success the Centre had in 2006-2007 could not have been achieved without the help of our unpaid volunteer workers. The Centre had about 20 people helping us through the year. At any given time the Centre has about 10 casework assistant volunteers who provide an invaluable service each week. Special mention should also go to our administration volunteer workers who help with the administrative functions in the office. These volunteers perform their duties with style, diligence, patience and much skill.

The casework volunteer workers, who have the challenging task of direct contact with people who contact us for advice or referral, assisted in 3,111 matters through the year. They displayed excellent communication and interpersonal skills in assisting many highly distressed clients. Their dedication and enthusiasm provides an inspiration to all of us at the Centre.

The Centre gratefully acknowledges the role played by all our volunteer workers.

These workers contribute services to the Centre valued at over \$160,000 each year. We hope they have enjoyed being at the Centre as much as we have enjoyed having them and we look forward to their continuing involvement with the Centre.

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## 7.0 Auditor's Report

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The Auditor's Report, prepared by Kazzi and Associates forms part of this Annual Report but as it is produced in a different format, is available on request.