

Catholic Welfare Australia

Media Release



Catholic Welfare Australia

11/2005

More incentive and investment needed to move people from welfare to work

Addressing the Senate Inquiry into 'Welfare to Work' legislation, Mr Frank Quinlan, Executive Director of Catholic Welfare Australia today asked the Senate Committee to consider three main issues:

- Incentives
- Investment, and
- Penalties

"A single mother on Newstart, who overcomes the many barriers she may face to take on 15 hours a week working in a minimum wage job, will be significantly worse off under these arrangements than a similar single mother working the same hours in the same job whilst on the sole parent pension." The proposals currently fail to deliver adequate incentives to help people move from welfare to work.

"With most jobs going to people with post school qualifications, and most sole parents on the pension with year 10 or less, it is pretty clear we need some specific training and education for current pensioners. If we give parents the time and support they need to re-train, society will reap the benefits for years to come," he said. "What we really must avoid is establishing a class of 'working poor', with all the problems that would create for years to come."

"Suspending all payments to the very poor for 8 weeks is like sending a naughty child to their room and then leaving them there for three days – it's too long and too harsh."

"We support efforts to increase participation in work and society," Mr Quinlan said. "The clients we see every day are desperate to participate more fully. To achieve this, we are asking the Government to increase incentives to welfare recipients and the low paid who are currently crippled by high effective marginal tax rates. Further to this, there is a need to significantly increase investment in training and jobs and to provide extra support to those who are having trouble keeping up."

A copy of Catholic Welfare Australia's submission to the Senate Inquiry, and the statement made to Senators at its 2:20 pm appearance, is available upon request.

For more information please call: Jackie Brady on 0417 220 779