

Voluntary work and mutual obligation requirements for unemployment payment recipients

What are mutual obligation requirements?

In return for receiving taxpayer-funded income support, unemployed people have mutual obligation requirements. As part of their mutual obligation requirements, individuals may be required to undertake job search, attend employment services provider appointments, attend job interviews, and undertake other suitable activities to help them become more job ready. For participants in Workforce Australia, this may include meeting a points target.

Other suitable activities may include (but are not limited to):

- Paid part-time work,
- study and training,
- voluntary work,
- Work for the Dole,
- other government programs,
- activities to address non-vocational issues.

Are there any other ways individuals can meet their requirements?

There are also legislative provisions that relieve individuals from any additional requirements because they are doing what is considered a sufficient level of activity for their circumstances. For example, people with a reduced capacity to work due to disability or who are a primary carer of children have no further requirements if they undertake paid work for 30 hours per fortnight. Individuals who are aged 55 and over may also be taken to be fully meeting their mutual obligation requirements and have no further requirements if they are participating in approved combinations of paid and voluntary work for at least 30 hours per fortnight.

How can voluntary work be used to meet mutual obligation requirements for unemployment payment recipients?

Voluntary work can act as a valuable steppingstone into paid employment, where participants may gain important work-related skills and experience. For this reason, individuals connected to a provider in Workforce Australia Services may count voluntary work towards their requirements if their provider considers the voluntary work to be beneficial in giving them the necessary experience to help them into paid employment. Participant-sourced voluntary work is also a suitable activity that individuals in Workforce Australia, including those in Workforce Australia Online, may undertake as part of their mutual obligation requirements.

In addition, those aged 55 and over can choose to fully meet their requirements through 30 hours per fortnight of approved combinations of paid and voluntary work. If individuals meet their requirements in this way, they are considered to be fully meeting their requirements under provisions of social security law and do not have to undertake any

additional requirements such as job search, attending provider appointments and any other suitable activities.

- For individuals aged 55-59 during their first 12 months of payment, 15 of the 30 hours per fortnight must be in paid work to fully meet their requirements in this way.
- All other individuals aged 55 and over can fully meet their requirements through any combination of paid or voluntary work.

In summary, this means that people 55 and over can meet their requirements in two ways:

Age	Can <u>choose</u> to fully meet requirements by:	OR <u>must</u> meet requirements by:
55-59	Undertaking 30 hours per fortnight of a combination of voluntary or paid work . For first 12 months on payment, at least 15 of the 30 hours must be in paid work . After 12 months on payment, can undertake 30 hours per fortnight of any combination of voluntary and paid work. People meeting requirements in this way do not have to look for work, attend regular provider appointments or undertake any other activities.	Looking for work; AND Attending regular appointments with their employment services provider, if required; AND Participation in suitable activities, if required. OR if a Workforce Australia participant, must meet a points target each month (see below for more information on Workforce Australia).
60 to age pension age	Undertaking 30 hours per fortnight of any combination of voluntary or paid work . People meeting requirements in this way do not have to look for work, attend regular provider appointments or undertake any other activities.	Looking for work; AND Attending regular appointments with their employment services provider, if required; AND Participation in suitable activities, if required. OR if a Workforce Australia participant, must meet a points target each month (see below for more information on Workforce Australia).

Why can't individuals aged under 55 fully meet their requirements through voluntary work?

The Government recognises that voluntary work has a range of benefits for both the individual and the community, and individuals aged under 55 may use voluntary work to contribute towards their requirements. However, participation in paid work and reduced reliance on income support should be the ultimate goal for unemployed individuals.

Why are there restrictions on the way an individual aged 55-59 years can participate in voluntary work to fully meet their mutual obligation requirements?

Individuals aged 55 to 59 can undertake voluntary work as part of their requirements. However, to fully meet their requirements, in addition to their voluntary work, individuals

who are in their first 12 months on an unemployment payment will need to undertake either:

- at least 15 hours per fortnight of paid work, or
- other requirements such as job search, attending provider appointments and undertaking activities.

This recognises that the primary intent of unemployment payments is to support individuals into paid work, where they are able.

What if I am aged 55-59 and go off payment during my first 12 months on payment? Will I have to wait another 12 months before I can start fully meeting my requirements through 30 hours of voluntary work per fortnight?

If you go off payment for a period of less than 3 months, for example because you find a temporary job, you will be taken to be still on payment during that period and it will count towards the 12 months. If you go off payment for more than 3 months, the 12 months period will start again if you come back on to payment.

How will voluntary work and mutual obligation requirements be different under the new employment service, Workforce Australia?

From July 2022, Workforce Australia will replace jobactive as the new employment service, providing a new innovative, flexible and targeted employment service that will better support individuals and businesses.

Workforce Australia Online will be available for job-ready individuals who are assessed as being able to self-manage their own employment pathways. Individuals who need more assistance or choose to receive services offered by a provider will receive more intensive and personalised support.

Participants in Workforce Australia will have choice in how they meet their mutual obligation requirements under the new Points Based Activation System (PBAS). The PBAS will replace existing mutual obligation settings (such as a set number of job searches per month, and/or participating in a certain number of hours in a suitable activity). Participants will have a points target to meet each month under PBAS and will have choice and flexibility in the tasks and activities they undertake to earn points towards their points target.

The maximum points target to meet each month is 100 points each month, including a minimum job search requirement, but each participant's points target must be individually tailored to reflect their personal circumstances and local labour market. Participants will earn points to meet their points target each month through completing employment related tasks and activities including job search, attending interviews, and participating in suitable activities.

Participants in Workforce Australia Services may undertake voluntary work sourced by their provider for 15-25 hours per week and accrue 20 points per week, or up to 15 hours per week and accrue 15 points per week.

Participants in both Workforce Australia Services and Workforce Australia Online who undertake and declare approved voluntary work they have sourced themselves can earn 5 points for 5 hours of participation (rounded up), up to a maximum of 10 points per month.

Can I still fully meet my requirements through voluntary work while in Workforce Australia? What if I do not have an employment services provider?

Individuals who are aged 55 and over may fully meet their requirements under legislative criteria through approved combinations of voluntary/paid work - regardless of which employment service they are in, and whether they are in Workforce Australia Online or not. Participants in Workforce Australia Online who wish to fully meet their requirements in this way should talk to Centrelink about recognising their paid and voluntary work as part of their requirements.

For more information on Workforce Australia and PBAS, you may visit:

www.dese.gov.au/workforce-australia.