Explanatory Statement

Social Security (Administration) (Relocation Assistance) (DEEWR) Specification 2010

Outline of instrument

Summary
The Social Security (Administration) (Relocation Assistance) Specification 2010 (Specification) is made by the Acting Secretary to the Department of Education, Employment and Workplace Relations under paragraph 42S(3B)(b) of the Social Security (Administration) Act 1999 (Administration Act).

The Specification specifies the kinds of payments that constitute “relocation assistance” for the purposes of subsection 42S(3) of the Administration Act.

Background
Under subsection 42S(3) of the Administration Act, a person who is paid “relocation assistance” by the Commonwealth for the purpose of relocating to take up a job, and who subsequently leaves that job voluntarily or due to misconduct within 6 months of being paid relocation assistance, may not be paid an income support payment for up to 12 weeks (normally a person who leaves a job is not paid an income support payment for 8 weeks).

Subsection 42S(3B) of the Administration Act defines “relocation assistance” as:

“... a payment:
(a) that is made by the Commonwealth to a person for the purpose of assisting the person to take up the employment; and
(b) that is specified in a legislative instrument made by the Secretary for the purposes of this paragraph.”

The Specification specifies payments under the Connecting People with Jobs trial administered by the Department of Education, Employment and Workplace Relations (DEEWR) as “relocation assistance” for the purposes of paragraph 42S(3B)(b).

Regulatory impact and consultation
The Specification does not affect business or competition.

The Specification is an administrative part of the Government’s Connecting People with Jobs initiative, announced as part of the Government’s election commitments for the 2010 Federal election, and given effect through amendments to the Administration Act made by the Social Security Legislation Amendment (Connecting People with Jobs) Act 2010. No separate public consultation on the Specification was considered necessary.

DEEWR consulted with the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) on the Specification. However, as recipients of special benefit are not currently eligible for the Connecting People with Jobs trial, the
Secretary of FaHCSIA will not be making an equivalent instrument in relation to his responsibilities under the social security law.

**Explanation of provisions**

**Sections 1 and 2** of the Specification are formal provisions, setting out the name and commencement date of the instrument, respectively.

**Section 3** specifies the kind of payment that is “relocation assistance” for the purposes of paragraph 42S(3B)(b) of the Administration Act, that is, a payment made to a person under the Connecting People with Jobs trial administered by DEEWR. Under that trial, people in receipt of certain income support payments may be eligible for financial assistance of up to $9000, to assist them with the costs of relocating in order to take up a job. The person must accept the job before the assistance will be paid, and the assistance will be paid only in connection with taking up that job – that is, relocation assistance under the trial will only be paid where a person has a job to go to.

The assistance may be paid to the person directly (including on a reimbursement basis), or it could be paid on the person’s behalf to an organisation that has provided services to the person (for example, an airline or removalist company). Whether the payment is made directly to the person or to an organisation on the person’s behalf, the payment will be regarded as a payment made to the person, and will be relocation assistance.

Under subsection 42S(3) of the Administration Act, if a person leaves a job within 6 months of being paid relocation assistance in relation to that job, a participation payment is not payable to the person for 12 weeks. However, a person could receive more than one payment under the Connecting People with Jobs trial, for example, separate payments might be made for airfares, removalists, and post-placement support. In that case, subsection 3(2) of the Specification provides that only the first payment made to the person in relation to a particular job is “relocation assistance”. This means that the 6 month period during which the person can be subject to a 12 week non-payment period for leaving the job commences when the person is paid the first payment. Subsequent payments made to the person under the trial, in relation to the same job, are not relocation assistance for the purposes of subsection 42S(3).