



## Mutual obligation requirements for visual and creative artists - webinar

## 5 December 2024, question & answers

## Mutual obligation requirements and Points Based Activation System (PBAS)

QUESTION	ANSWER
It was mentioned that job search does not need to be a formal application but can include going into a café to ask if there are any jobs available. Arts grant applications can take a week or two of solid work to do – why do they have the same points as speaking to someone in a café?	Under <u>Social Security</u> legislation, a person has undertaken a job search if the person makes contact with another person or body (employer) in relation to, and for the purposes of, obtaining paid work with that person or body (employers). While the approach to looking for work does not need to be formal, the
	participant is still required to report evidence of the contact, such as the employer name, contact details, email, contact number, job title, date of the application.
Are there any plans to align the	Under Points Based Activation System (PBAS), job search attracts 5 points for each job search reported by a participant during their points reporting period.
points system more closely with the effort involved in creative job-seeking activities, such as grant applications or project proposals? For example, could points for such activities be raised to reflect their complexity and time commitment?	Your points requirement can be adjusted by your provider, or the Digital Services Contact Centre (DSCC) to reflect your individual circumstances in periods where more significant effort is required to support your employment journey. For example, if a grant application requires a week of preparing, your provider, if appropriate, may adjust your points requirement in your reporting period to allow you to focus on submitting your grant deadline, or apply an activity bonus towards your points requirement to
Writing a grant proposal can take a very long time – 40+ hours, and you only get 5 points?	reflect the additional work needed to undertake to prepare for a grant submission.
	For further information please refer to www.workforceaustralia.gov.au/individuals/obligations/learn/meet-your- obligations/tailoring-points
When checking artists' job search efforts, what supporting documents do people have to upload as part of	When reporting your job searches to earn points towards your points requirement, participants can report their job search through their Workforce Australia account or the provider can report on your behalf, if you have a provider. You can report your job searches by:
their PBAS?	<ul> <li>Manually report your job searches</li> <li>Upload evidence of your job searches, or</li> </ul>

	• Applying for jobs through the Workforce Australia account. For further information including what evidence is required, refer to <u>www.workforceaustralia.gov.au/individuals/obligations/learn/meet-your-obligations/show-applied-job</u>
Can the current job search framework be expanded to more clearly include activities such as responding to Expressions of Interest (EOIs), commission applications, grant applications and exhibition call- outs, which are common job-seeking efforts in the arts industry?	Job search requirements under mutual obligations supports a range of job search activities for participants who are required to actively look for paid employment by making contact with a person or employer for the purposes of obtaining paid work. Job search activities for arts professionals such as responding to expression of interests and submitting grant applications is considered as job search for the purposes of obtaining paid work. Please refer to <u>www.workforceaustralia.gov.au/individuals/obligations/learn/meet-your- obligations/self-employed</u>
Do applications for unpaid residencies or exhibitions count? Or does it have to be for paid work?	Under <u>Social Security</u> legislation, a person has undertaken a job search if the person makes contact with another person or body (employer) in relation to, and for the purposes of, obtaining paid work with that person or body (employers). Where an application is submitted for unpaid residencies or exhibitions where there is no prospect of paid work or generating an income, then it would not be considered as a job search for the purposes of earning points under the PBAS.
Reporting points for paid work, I thought it would be fairer to report one point per hour instead of 5 per five hour period. Is it possible to have this appraised?	Participants in Workforce Australia who have a points requirement can report 5 points for every 5 hours of paid employment rounded up. For example, reporting 7 hours of paid employment as part of your points requirements, this will automatically be rounded up to 10 points towards your points target. For more information refer to <u>www.workforceaustralia.gov.au/individuals/obligations/learn/meet-your- obligations/show-paid-work</u>
How would work with platforms like Fiverr be considered when an artist completes tasks? Would this come under the banner of 'new freelance work' and therefore worth 50 PBAS points? If so, how do we reconcile the possibility of a person meeting their full 100 points with potentially less than an hour of actual work?	Participants can apply to work for companies such as Fiverr, Uber, and Mad Paws. When a participant first applies to receive freelance work, this can be considered as a job search, and 5 points can be earned toward the points requirement. The first time the participant is successful in obtaining freelance work from this company, the participant can report "starting a job" for 50 points. Any subsequent work received as a freelance worker through these companies, the work is reported as paid work and participants can potentially report 5 points for 5 hours of paid work. If it is one hour's work, the participant would report that and receive 5 points. For further information please refer to <u>www.workforceaustralia.gov.au/individuals/obligations/learn/meet-your-obligations/job-search-requirement</u>
Do hours spent creating an artwork count as work? Artists often spend significant time on the administrative side of their practice, such as preparing grant applications, creating portfolios, negotiating contracts, or managing social media. Administrative tasks should also count for points. For example, updating portfolios, or managing web pages and social media accounts to promote work should be seen as contributing to	The PBAS is a flexible activation system that allows participants to manage their mutual obligation requirements by participating in tasks and activities that support their employment journey. The points requirement includes a points target of 100 and a job search requirement of 4. Participants must meet both of these each reporting period in exchange for receiving income support payment. The points requirements including the job search can be adjusted based on the individual's circumstances that can impact their ability to comply with their requirements. The provider or the Digital Services Contact Centre (DSCC) can reduce these requirements for a period of time. This could include where an individual was applying for a grant application which took up a significant amount of time, the provider in this instance could reduce the points target down from 100 and the job search requirement from 4 to 3.

employability and artistic productivity. Can these administrative tasks be awarded	In addition, if a participant wishes to apply for roles in a particular field, this may be appropriate for a period of time. Applying for jobs should be at a variety of levels and pay, in a variety of fields and using a variety of methods.
additional points monthly. If an artist is creating artwork to build portfolio but doesn't have a buyer, is this counted towards requirements?	However, after a period of time, the department and the provider would reasonably expect participants to expand their job search activities to a wider range of fields and accept offers of suitable jobs.
	Noting also, as a condition of mutual obligations, participants who have not engaged in work, study, work experience or a combination of these activities may be required to participate in a mandatory activity.
	Some of the administrative tasks described such as, managing websites or social media pages to promote work can be considered as self-employment. The department offers Self-Employment Assistance Program for those participants who want to pursue self-employment opportunities that can contribute to meeting mutual obligation requirements. For more information please refer to <u>Self-Employment Assistance Program</u> .
	In addition, where there are administrative tasks required for the purposes of generating an income, for example commissioned artwork, this_may count as paid work for the purposes of mutual obligation requirements. Depending on how you are paid, the sufficient work test must apply for the purposes of mutual obligation requirements and claiming points towards your points target.
	For further information if you meet the sufficient work test, please refer to:
	<ul> <li><u>https://guides.dss.gov.au/social-security-guide/1/1/s/403</u></li> <li><u>www.workforceaustralia.gov.au/individuals/obligations/learn/meet-your-obligations/show-paid-work</u></li> </ul>
How is volunteer work not dissimilar to Work for the Dole?	Work for the Dole is the default Mandatory Activity for eligible participants with mutual obligation requirements who haven't met the activation requirement and haven't done another activity by the time they reach their activation point. This means that Work for the Dole can be made a mandatory requirement in certain circumstances with non-attendance subject to the Targeted Compliance Framework, whereas all other activity types can only be voluntary.
	There are also differing eligibility requirements between Voluntary Work and Work for the Dole. Work for the Dole can only be undertaken by participants aged 18 years and over receiving income support and registered in Workforce Australia Services.
Where can we access the list of safety requirements by employer (volunteer organisations)	The Workforce Australia Guidelines (Part B) Chapter 21 outlines the requirements Employment Services Providers must adhere to in relation to ensuring activities are carried out in a safe manner. This includes ensuring that activities comply with all relevant laws and requirements of any Commonwealth, state, territory or local authority, including the Work Health and Safety Laws. The Guidelines are available at <u>Workforce Australia</u> <u>Guidelines – Part B Workforce Australia Services - Department of Employment and Workplace Relations, Australian Government</u>
	The Department of Employment and Workplace Relations purchases Personal Accident insurance in relation to activities (including Provider Sourced Voluntary Work); and as part of the Centrelink approval process, Voluntary Work host organisations are required to confirm they have current appropriate insurance cover.

If I am curating an art exhibition without pay, can I count that? I am over 60	Under Social Security legislation for <u>voluntary work</u> , only approved voluntary work activities can be included as part of mutual obligation requirements. As part of the approval process, providers or Services Australia will confirm that volunteer host organisations are not-for-profit organisations, government agencies or not-for-profit arms of for-profit organisations.
	Voluntary work, including that which is sourced by participants for the purpose of the Points Based Activation System (PBAS), must be unpaid and benefit the participant and the community.
How do you report volunteer work as a curator? Volunteer form seems to need a not for profit organisation	If a participant identifies voluntary work that is available and they are interested in, they can discuss it with their provider or arrange it themselves. Participant Sourced Voluntary Work and Provider Sourced Voluntary Work have different PBAS allocations. Some participants (such as those aged 55 and over) undertaking voluntary work may also be able to fully meet their requirements and this can be approved by their provider or Services Australia.
	For voluntary work to count towards fully meeting requirements or attract the higher PBAS allocation, the proposed voluntary work needs to be assessed by the provider that it is suitable for the participant and would improve the chances of the participant finding paid work.
	The host organisation and the proposed voluntary work also need to be assessed as meeting the eligibility criteria. If both aspects are assessed as suitable <u>and</u> the provider is happy to approve this placement, it can then become a Provider Sourced placement. However, there is no obligation on the provider to approve voluntary work in every instance where a participant approaches them with a proposed voluntary work opportunity (for example, where the provider believes another activity may be more beneficial for a participant in their journey to employment). In that scenario where a provider does not approve the voluntary work placement, as long as the placement met the eligibility requirements, the participant could still report their participation in the voluntary work activity as participant sourced which would count towards their points target. Noting that Participant Sourced Voluntary Work has less points allocation attached.
	Participants aged 55 years and over, generally can meet their mutual obligation requirements by undertaking at least 30 hours a fortnight of approved voluntary work with an eligible volunteer work host organisation. These participants can also combine voluntary work in combination with paid employment to meet their mutual obligation requirements. This can be approved by a Provider or Services Australia.
	Where a participant contacts Services Australia to approve their volunteer work, a specific form needs to be completed by both the participant and the host organisation. The form is available at:
	<ul> <li>www.servicesaustralia.gov.au/su462</li> </ul>
	For further information including eligibility requirements, refer to:
	<ul> <li>www.workforceaustralia.gov.au/individuals/training/work- experience/volunteer</li> <li>www.workforceaustralia.gov.au/individuals/obligations/learn/your- obligations/fully-meet</li> </ul>
Could voluntary work in arts organisations and professional development activities, such as masterclasses or mentorships be explicitly recognised in the PBAS	Mutual obligation requirements are designed to ensure people who are receiving income support payments are actively looking for paid work and are participating in activities that will help them into employment. Where participants are undertaking activities that improve the likelihood of employment, then either that activity can count towards requirements or

framework? If so, what is the process for integrating these into current settings?	providers have the flexibility to adjust other requirements to recognise participation. For example, participation in voluntary work (whether Provider approved or Participant Sourced) is recognised under the PBAS – providing that the organisation satisfies the eligibility criteria to be a voluntary work host organisation as outline in the <u>Workforce Australia Guidelines – Part B</u> <u>Workforce Australia Services - Department of Employment and Workplace</u> <u>Relations, Australian Government</u> (refer to Chapter 21)
	The nature of the tasks undertaken by a participant while in an approved voluntary work placement does not alter the points they are eligible for under the PBAS.
	Under the PBAS, there is a range of <u>suitable activities</u> that a participant can engage in to earn points to demonstrate their active engagement towards securing suitable employment.
	The PBAS supports a broad range of suitable activities for participants seeking employment in a broad range of industries. The department reviews existing materials on a regular basis and considers whether further updates are required to support a broad range of industries. For more information on suitable activities to support mutual obligation requirements and points, please refer to <u>www.dewr.gov.au/workforce-australia/resources/workforce- australia-points-values-tasks-and-activities</u>
What specific reforms to mutual obligations are being considered in the design of the future employment services model? And how can we participate in shaping these reforms to ensure they are inclusive for creative industries?	As part of employment services reform, the entire mutual obligation system will be considered, including whether settings are fit for purpose, and how best to ensure that they genuinely help people connect to work or improve their employability. This includes for people aspiring to work or currently working in the creative industry.
	The reforms will draw on the evidence provided by stakeholders to the House Select Committee on Workforce Australia Employment Services, such as the
What research and consultation has been undertaken with arts professionals when developing these mutual obligations?	National Association for the Visual Arts' submission. The Government has also committed to engaging with stakeholders to develop and implement improvements to employment services. The department will let you know more on how you can provide your views and input on these improvements when we are able to.

## Means Testing, Income and Lump Sums

QUESTION	ANSWER
Is this the same rate for DSP? Context – DSP income test, free areas and taper rates	The Disability Support Pension (DSP) income test is designed to encourage people to supplement their income support payments with other income, if they are able to and wish to do so. A DSP recipient and their partner can receive an amount of income before their payment starts to be reduced. This amount may comprise income from investments, earnings, or a combination of income from various sources and is known as the income free area. From 1 July 2024, the DSP income free area is \$212 a fortnight for singles and \$372 a fortnight for couples combined. The DSP income free area is adjusted each year in July for increases in the cost of living using the Consumer Price Index.
	For each dollar of income over the income free area, the single rate of DSP is reduced by 50 cents (the taper rate). For couples, each of their individual payments is reduced by 25 cents a fortnight for each dollar of income that the couple has over the income free area. This means from 20 September 2024, a part rate of DSP is payable up to an assessable income of \$2,500.80 a

	fortnight for a single person or \$3,822.40 a fortnight for a couple. These figures may be higher if Rent Assistance is paid with the pension.
Do lump sums include commissions for artwork, a monetary art prize or grants?	Yes, depending on the nature of the lump sum, lump sums would include commissions for artwork, monetary art prize or a grant.
	The way in which the lump sum is paid may also affect the treatment of the lump sum. For example, a lump sum paid for work completed over a sixmonth period will be assessed over six months from receipt of the lump sum. If there is no known period for which the work relates to, the assessment period for the lump sum will default to 52 weeks.
	Some grants can be used to cover general living expenses and would therefore be income test assessable. This is consistent with targeting assistance on the basis of a person's current needs. It would be unfair to advantage people who receive grants over those who obtain the same amount of income through, for example, employment.
How do you suggest providers persuade artists to declare income and hours to Services Australia when they are self-employed running their own business?	Services Australia (Centrelink) is not responsible for providers. However, Centrelink would like to emphasise the importance of providers encouraging and advising self-employed job seekers on their caseload to discuss their circumstances with Centrelink.
	Job seekers who fully meet their Mutual Obligation Requirements through self-employment (or in combination with other approved activities) are Centrelink managed and therefore are not required to be connected to, or remain connected with, an Employment Services Provider.
	Self-employment income does not need to be declared each fortnight, as it is assessed on an annual basis, and the assessed self-employment income on a recipient's record is to be used for checking the sufficient work test has been satisfied.
	Reporting to Centrelink is a legislative requirement for job seekers who have Mutual Obligation Requirements. This includes a requirement to report any change in circumstances regarding employment status or any income earned.
	Reporting a change in circumstances will reduce the risk of the recipient being under or overpaid and ensure they receive their correct entitlements
How can artists demonstrate their costs, deductions from a lump sum. Do they need invoices, receipts, bank statements, or other?	As a sole trader, a person is not legally required to have an ABN. When a person first indicates that they are receiving income from self-employment, a Business Details (MOD F) form is required to be completed. <u>Business details form (MOD F) - Services Australia</u>
Do artists need to have an ABN to demonstrate that they are in business?	Service Australia will use the information provided in the MOD F to assist in determining whether the recipient is an employee or self-employed.
Do artists who take commissions online count as running a business since they're online based?	Commissions received by artists online will be assessable under the income test. Taking online commissions does not change the nature of the business.
How do costs incurred by artists affect their payment? E.g. Receiving a grant can include	If the artist is running a business, the costs of materials can be considered a business expense. For example, the studio space they rent and any other production costs. These can be deducted from the amount that we assess for
how would that work?	social security purposes. If the artist is not running a business and are receiving money from a contract of service or commission, the amount is assessed from when it is paid for the

	period to which it relates. If costs are incurred for the commission, then these would be deductible as business expenses.
Are there any guidelines that artists can refer to for a better understanding on how lump sum payments assessed?	Specific information on how lump sums are assessed for individuals when the lump sum is paid directly to the individual and do not form part of a business can be accessed here <u>Lump sums while on income support - Services</u> <u>Australia</u> . Information on how lump sums that are paid as part of business income are
Would any work over \$256 per fortnight mean I get no jobseeker at all?	assessed can be found here <u>Business structures - Services Australia</u> . No - whilst recipients of Jobseeker Payment can earn up to \$150 per fortnight before their eligibility for income support is affected, the impact is through a gradual reduction of support for amounts earned above this threshold, rather than a cancellation of payment. Currently, income between \$150 and \$256 per fortnight reduces the payment by 50 cents in the dollar, and income above \$256 per fortnight reduces payment by 60 cents in the dollar. This means, for example, a single recipient of JobSeeker Payment with no dependent children could earn up to \$1,479 per fortnight and still receive a part-rate of payment.
I have policy feedback about the assessment of lump sums, who should I contact?	For any policy feedback, please complete the feedback form at <u>Feedback</u> <u>form   Department of Social Services</u> or alternatively, email <u>enquiries@dss.gov.au</u> . For specific questions about your personal circumstances, we would encourage you to contact a Services Australia (Centrelink) Financial Information Service (FIS) officer. FIS officers are specially trained to provide financial information and information on the operation of the income and assets tests. This is a free service, and you can arrange to speak to a FIS officer by telephoning Centrelink on 13 2300.
I have questions about my specific circumstances, who should I contact?	For additional information or clarification on individual circumstances, please see the "Contact us" page at <u>Contact us - Accessing our services - Services</u> <u>Australia</u> .

For additional information around the treatment of lump sums, please see <u>4.13.2.20 Treatment of Periodic Payments</u> Paid as a Lump Sum | Social Security Guide or <u>1.1.L.140 Lump sum</u> | Social Security Guide or <u>Impacts of compensation</u> payments - Centrelink compensation information for lawyers and compensation payers - Services Australia