

Welfare Review Submission Template

Pillar One: Simpler and sustainable income support system

Changes to Australia's income support system over time have resulted in unintended complexities, inconsistencies and disincentives for some people to work. Achieving a simpler and sustainable income support system should involve a simpler architecture, a fair rate structure, a common approach to adjusting payments, a new approach to support for families with children and young people, effective rent assistance, and rewards for work and targeting assistance to need.

Simpler architecture

Page 42 to 52 of the Interim Report considers the need for a simpler architecture for the income support system. The Reference Group proposes four primary payment types and fewer supplements. The primary payment types proposed are: a Disability Support Pension for people with a permanent impairment and no capacity to work; a tiered working age payment for people with some capacity to work now or in the future, including independent young people; a child payment for dependent children and young people; and an age pension for people above the age at which they are generally expected to work.

In shaping the future directions for a simpler architecture the Reference Group would like feedback on:

- What is the preferred architecture of the payment system?
- Should people with a permanent impairment and no capacity to work receive a separate payment from other working age recipients?
- How could supplements be simplified? What should they be?
- What are the incremental steps to a new architecture?

Fair rate structure

Page 55 to 60 of the Interim Report considers changes that could be considered to rates of payment for different groups. In shaping the future directions for a fairer rate structure the Reference Group would like feedback on:

- How should rates be set, taking into account circumstances such as age, capacity to work, single/couple status, living arrangements and/or parental responsibilities?

Common approach to adjusting payments

Page 60 to 64 of the Interim Report considers a common approach to adjusting payments to ensure a more coherent social support system over time. In shaping the future directions for a common approach to maintaining adequacy the Reference Group would like feedback on:

Note: The page numbers refer to pages in the PDF version of the Interim Report.

- What might be the basis for a common approach to adjusting payments for changes in costs of living and community living standards?

Support for families with children and young people

Page 65 to 68 of the Interim Report considers how the payments could be changed to improve support to families with children and young people. In shaping the future directions for support for families with children and young people the Reference Group would like feedback on:

- How can we better support families with the costs of children and young people to ensure they complete their education and transition to work?
- In what circumstances should young people be able to access income support in their own right?

Disadvantaged families need support with the soaring cost of education. Families are now expected to pay for the technology that schools require for the curriculum to be taught. Many children miss out on educational opportunities because their families are not able to afford the extra costs including camps and excursions on top of the IT expenses, uniform and basic curriculum fees. The State-wide Children's Resource Program manage a brokerage program funded under the National Partnership Agreement on Homelessness (NPAH) which supports children who have experienced homelessness and family violence in engaging with education and the community. Across the state 60-80% of the brokerage funds goes into basic education costs including uniforms, fees, camps, excursions and technology.

These children who would benefit considerably from remaining well engaged with the education and training system often self-exclude because they and their families struggle with education costs, they are embarrassed and consequently they miss out on educational opportunities that their peers enjoy. This can contribute to the intergenerational cycle of poverty and joblessness as these children are less likely to complete their education and as a result, less likely to be able to gain employment. This means that there is a high chance that these children will be reliant on the welfare system as adults.

There must be a way in which the cost of these education related items and fees are incorporated into the education and schools budget thus reducing the stress on families and giving every child the opportunity to access a truly free education. Perhaps once a level playing field was introduced in this area, families could look to other aspects of their life to work on.

Effective rent assistance

Page 68 to 71 of the Interim Report considers Rent Assistance and suggests a review to determine the appropriate level of assistance and the best mechanism for adjusting assistance levels over time. In shaping the future directions for Rent Assistance the Reference Group would like feedback on:

- How could Rent Assistance be better targeted to meet the needs of people in public or private rental housing?

Rewards for work and targeting assistance to need

Note: The page numbers refer to pages in the PDF version of the Interim Report.

Page 72 to 78 of the Interim Report considers changes to means testing for improved targeting to need and better integration of the administration of the tax and transfers systems to improve incentives to work. In shaping the future directions for rewards for work and targeting assistance to need the Reference Group would like feedback on:

- How should means testing be designed to allow an appropriate reward for work?
- At what income should income support cease?
- What would be a simpler, more consistent approach to means testing income and assets?

Pillar Two: Strengthening individual and family capability

Reforms are needed to improve lifetime wellbeing by equipping people with skills for employment and increasing their self-reliance. To strengthen individual and family capability changes are proposed in the areas of mutual obligation, early intervention, education and training, improving individual and family functioning and evaluating outcomes.

Mutual obligation

Page 80 to 85 of the Interim Report considers more tailored and broadening of mutual obligation and the role of income management. In shaping the future directions for mutual obligation the Reference Group would like feedback on:

- How should participation requirements be better matched to individual circumstances?
- How can carers be better supported to maintain labour market attachment and access employment?
- What is the best way of ensuring that people on income support meet their obligations?
- In what circumstances should income management be applied?

While personal and family responsibility is important, and it is imperative that children are attending school there must be some understanding as to the reasons why children may not be attending school. Children who have experienced homelessness and family violence or live in poverty may suffer from complex trauma; this means that the simple task of getting to school might be extremely difficult. They may also be suffering from grief and loss, and may be suffering physical and mental ailments from their experiences. Families may not have money to put petrol in the car or money to catch transport to get the children to school. There might not be money for lunch and often families would rather keep their children home than suffer the embarrassment of sending their children to school with no food. For families that have been transient children may have attended a number of schools and may have had negative experiences and may not want to attend school. These families need support not punishment.

We also need to look at the jobs that are available. Many jobs that parents can access are casual, which means there is no flexibility when children are sick etc. Many of these jobs are not during child friendly hours and often financially it is not worth some parents working once they pay for childcare. Importantly there needs to be a focus on support to gain training and employment, not just the gaining of employment.

Early intervention

Note: The page numbers refer to pages in the PDF version of the Interim Report.

Page 85 to 88 of the Interim Report considers risk based analysis to target early intervention and investment and targeting policies and programmes to children at risk. In shaping the future directions for early intervention the Reference Group would like feedback on:

- How can programmes similar to the New Zealand investment model be adapted and implemented in Australia?
- How can the social support system better deliver early intervention for children at risk?

It is important that we target families with young children to intervene at the earliest point - early intervention in the early years is imperative. This is the only way we can hope to break intergenerational homelessness, poverty and unemployment. Children need to be supported to engage in education as discussed previously. Families need to see the value of pre school education, Kinder and school as a positive place in which all children can access education and opportunity equally

While the idea to support families with childcare so that they are re-enter the workforce is a good one, realistically how will this work? It is necessary to consider the following for how this would work in practice:

- Number of childcare places available
- Cost of childcare
- Employment opportunities which provide positive experiences and financial benefit. (Not being financially worse off when adding in childcare costs)
- Young parents need to have a positive experience of parenting, along with support to re-engage with education and training so that they can enter the workforce.

Education and Training

Page 89 to 90 of the Interim Report considers the need for a stronger focus on foundation skills in both schools and vocational education and training, and on transitions from school to work. In shaping the future directions for education and training the Reference Group would like feedback on:

- What can be done to improve access to literacy, numeracy and job relevant training for young people at risk of unemployment?
- How can early intervention and prevention programmes more effectively improve skills for young people?
- How can a focus on 'earn or learn' for young Australians be enhanced?

Children from low-socioeconomic backgrounds are already academically disadvantaged due to the soaring cost of public education. Children who experience homelessness and or family violence are further disadvantaged in their ability to engage fully with their education. According to a report 60% of children who have experienced homelessness were not at the expected level of achievement for their age and had missed more than one school term (How High Can We Go, 2011)

Changes to payments to families will further disadvantage these students as families are already struggling to meet the costs to provide for their children.

If the aim is to encourage children to complete their education then access to resources i.e. uniform, technology, access to camps and excursions must be made available to ensure that children who have experienced homelessness and family violence can stay engaged with education. It is imperative that we make the ability to access and benefit from education a priority and consider what impact changes to payments for families may cause.

All too often young people who are disengaged from education were never actually fully engaged.

Improving individual and family functioning

Page 90 to 93 of the Interim Report considers cost effective approaches that support employment outcomes by improving family functioning and the provision of services especially to people with mental health conditions to

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assist them to stabilise their lives and engage in education, work and social activities. In shaping the future directions for improving individual and family functioning, the Reference Group would like feedback on:

- How can services enhance family functioning to improve employment outcomes?
- How can services be improved to achieve employment and social participation for people with complex needs?

Evaluating outcomes

Page 93 of the Interim Report considers improved monitoring and evaluation of programmes aimed at increasing individual and family capability to focus on whether outcomes are being achieved for the most disadvantaged. In shaping the future directions for evaluating outcomes the Reference Group would like feedback on:

- How can government funding of programmes developing individual and family capabilities be more effectively evaluated to determine outcomes?

Pillar Three: Engaging with employers

Employers play a key role in improving outcomes for people on income support by providing jobs. Reforms are needed to ensure that the social support system effectively engages with employers and has an employment focus. These reforms include making jobs available, improving pathways to employment and supporting employers.

Employment focus – making jobs available

Page 95 to 100 of the Interim Report considers what initiatives result in businesses employing more disadvantaged job seekers. In shaping the future directions for making jobs available the Reference Group would like feedback on:

- How can business-led covenants be developed to generate employment for people with disability and mental health conditions?
- How can successful demand-led employment initiatives be replicated, such as those of social enterprises?

Improving pathways to employment

Note: The page numbers refer to pages in the PDF version of the Interim Report.

Page 101 to 107 of the Interim Report considers the different pathways to employment for disadvantaged job seekers such as vocational education and training and mental health support models. In shaping the future directions for improving pathways to employment the Reference Group would like feedback on:

- How can transition pathways for disadvantaged job seekers, including young people, be enhanced?
- How can vocational education and training into real jobs be better targeted?
- How can approaches like Individual Placement and Support that combine vocational rehabilitation and personal support for people with mental health conditions be adapted and expanded?

Supporting employers

Page 108 to 110 of the Interim Report considers what can be done to support employers employ more people that are on income support including better job matching, wage subsidies and less red tape. In shaping the future directions for supporting employers the Reference Group would like feedback on:

- How can an employment focus be embedded across all employment and support services?
- How can the job services system be improved to enhance job matching and effective assessment of income support recipients?
- How can the administrative burden on employers and job service providers be reduced?

Pillar Four: Building community capacity

Vibrant communities create employment and social participation for individuals, families and groups. Investments by government, business and civil society play an important role in strengthening communities. Also, access to technology and community resilience helps communities build capacity. Building community capacity is an effective force for positive change, especially for disadvantaged communities.

Role of civil society

Page 112 to 116 of the Interim Report considers the role of civil society in building community capacity. In shaping the future directions for the role of civil society the Reference Group would like feedback on:

- How can the expertise and resources of corporates and philanthropic investors drive innovative solutions for disadvantaged communities?
- How can the Community Business Partnership be leveraged to increase the rate of philanthropic giving of individuals and corporates?
- How can disadvantaged job seekers be encouraged to participate in their community to improve their employment outcomes?

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Role of government

Page 116 to 120 of the Interim Report considers the role of government in building community capacity. In shaping the future directions for the role of government the Reference Group would like feedback on:

- How can community capacity building initiatives be evaluated to ensure they achieve desired outcomes?
- How can the income management model be developed to build community capacity?

Role of local business

Page 121 to 123 of the Interim Report considers the role of local business in building community capacity. In shaping the future directions for the role of local business the Reference Group would like feedback on:

- How can communities generate opportunities for micro business to drive employment outcomes?
- How can mutuals and co-operatives assist in improving the outcomes for disadvantaged communities?

Access to technology

Page 124 to 125 of the Interim Report considers access to affordable technology and its role in building community capacity. In shaping the future directions for access to technology the Reference Group would like feedback on:

- How can disadvantaged job seekers' access to information and communication technology be improved?

Community Resilience

Page 125 to 126 of the Interim Report considers how community resilience can play a role in helping disadvantaged communities. In shaping the future directions for community resilience the Reference Group would like feedback on:

- What strategies help build community resilience, particularly in disadvantaged communities?
- How can innovative community models create incentives for self-sufficiency and employment?