

Welfare Review Submission by CS&HISC

The Community Services and Health Industry Skills Council (CS&HISC) is the peak agency responsible for delivering Vocational Education and Training (VET) qualifications and setting national standards for a broad range of job roles in the Community Services and Health industry. Over 80,000 publically funded students are awarded a Health or Community Services qualification each year. In addition to qualifications, CS&HISC provides advice, services and products to support the development of the overall community services and health workforce.

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?

CS&HISC is broadly supportive of the simpler architecture for the income support system. However, further consideration should be given to the potential impact of the proposed changes on:

- Recognition of, and support for, informal carers;
- The incentive to participate in part-time or low paid work.

In particular, it will be important to ensure that the rebasing of pensions does not act as a disincentive to providing informal care for family or friends. The contribution of informal carers make to delivering care and support is significant, with approximately 2.7 million carers identified in 2012 (2012 Survey of Disability, Ageing and Carers, ABS 2014). It follows that a decline in informal care would have an increase on the demand for and pressure on formal care and support services. The potential financial impact of a decline in the contribution of informal carers should therefore be considered.

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:

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

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

In considering fairer rate structures informal carers are an important group, missing from the list above, that should also be considered. (Please above response for more details).

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:

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

We note the concerns raised by ACOSS regarding the potential negative impact that an approach to payments that doesn't reflect the changes in costs of living could have on Australia's most vulnerable people.

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?

No response.

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?

No response.

Rewards for work and targeting assistance to need

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?

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

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?

Supporting carers to access and maintain employment

A recent literature review on improving the recognition of carers' skills, funded by the Department of Social Services (DSS) identified a range of approaches to supporting carers to maintain and transition to employment. Approaches identified included:

- Legislation that supports the recognition and assessment of carers;
- Workplace conditions and flexible working;
- Policy provision for career breaks and carer credits; and
- Pathway programs.

Legislative recognition of the rights of carers and the contribution they make to society was identified as being an important first step for many countries, including Australia, in focusing efforts to improve supports for carers. However, little information was available on the effectiveness of these approaches.

Flexible working hours and workplace conditions were commonly identified as being a key factor in carers being able to maintain employment, along with their caring role. This approach can be supported by a focus on actively raising awareness among employers of both the benefits of employing carers and the best ways in which to support them within the workplace. The literature also identified two pathway programs that aim to increase the readiness and skills of carers for employment in the United Kingdom.

A clear finding by the review was the importance of available supports for carers to enable them to participate or maintain education and training or employment. These included various income supports as well as respite, day care, home visiting and access to support groups.

On the basis of this evidence CS&HISC recommends continued investment in support for informal carers, and further research into the efficacy of different approaches, in recognition for essential contribution informal carers make to delivering care and support.

Early intervention

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:

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

- 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?

No response.

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?

Supporting development of Foundation Skills

It is recognised that poor Foundation Skills can be a barrier to finding and maintaining employment. It is expected that to meet increased demand for health and community services the workforce will need to increase by 177,800 workers between 2012 and 2017 (Industry projections to Nov 2017, Department of Employment 2013). Meeting this increased demand for workers is likely to involve employing more workers from a broader range of educational, cultural and employment backgrounds. Employers will have to increase their focus on identifying Foundation Skills deficits and providing the appropriate support to address these issues.

Employers need support to ensure that their staff have the language, literacy and numeracy skills required to perform their jobs effectively and efficiently. It is therefore concerning that the Workplace English Language and Literacy (WELL) Programme was among the programmes closed as part of recent Federal Budget announcements. This is a particular concern in community services as employers in this sector were the largest group of recipients of WELL funding.

CS&HISC is an advocate for Foundation Skills Training that is relevant to the workplace. This relies on relevant Foundation Skills training being available and accessible, and on having appropriately skilled trainers.

It is noted that there is currently a project looking to support Foundation Skills trainers in delivering high quality training. The project includes a pilot to develop a network of Foundation Skills Workplace champions: <http://www.dfeest.sa.gov.au/About-us/Our-Department/Initiatives-programs/National-Foundation-Skills-Strategy-Project>. CS&HISC is supportive of this initiative, particularly the concept of workplace champions. This approach recognises the need for industry driven and sustainable solutions to skills development that go beyond formal training. We would recommend the development of further industry driven and government supported initiatives that seek to develop Foundation Skills in the prospective and current workforce.

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 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?

No response.

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?

Effective evaluation

Evaluation strategies should be an integral part of the new approach to welfare support. As well as measuring the programmes intended outcomes the evaluation should be designed to identify any unintended consequences. Only those programmes that demonstrate longer term positive outcomes should continue to receive funding.

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?

Replicating successful demand-led employment initiatives

CS&HISC is supportive of the government and corporate initiatives to boost employment described in the draft report. However, the report would benefit from recognising that these activities are workforce development initiatives. Workforce development can be defined as the comprehensive management of human resources to better meet the demands of a global economy at national, local and enterprise levels. Workforce development activities that target disadvantaged groups can be used as a tool to improve social inclusion.

As such, the likelihood of employers participating in the sort of activities mentioned in the report is dependent on their understanding of and capabilities in workforce development more broadly. To see these initiatives replicated more widely will require a greater recognition and support for workforce development at national, regional and local levels.

Employers need support in order to better understand their workforce needs and to develop strategies to address these needs. Historically national funding initiatives such as the National Workforce Development Fund (NWDF) have provided medium and small enterprises funding and access to expertise to support workforce development activities. The purpose and scope of the new Skills Fund set to replace NWDF has yet to be determined. It will be important that small and medium enterprises continue to have access to this sort of external support.

The Community Services and Health industry is Australia's largest and fastest growing industry. This growth offers opportunities for employment for people from a diverse range of backgrounds. However, unlike the large companies mentioned in the report many service providers are small and medium enterprises that may lack the capacity to engage in workforce development initiatives. In addition, the breadth and scale of changes in demand for services and in service delivery models (e.g. Aged Care reforms) mean that organisations are busy dealing with the financial and organisational implications of these changes.

The Aged Care Workforce Innovation Network (WIN) project is supporting service providers to identify and address barriers to their readiness for Aged Care reforms, including workforce related issues. Early indications from this project are that participating service providers prioritised financial and organisational changes over workforce development. It is felt that this is because of the need to plan for future business viability before identifying the workforce changes required to support the strategic direction of the business. This should be taken into consideration when seeking to promote workforce development activities, particularly in sectors and organisations facing high levels of change and uncertainty.

Generating employment for people with a disability/ mental health condition

Disability service providers have led the way in developing innovative business models that support people with a disability to find and maintain employment. For example some disability service providers run their own businesses that employ people with a disability.

Disability services are currently preparing to undergo significant reform to the way they are funded. It is expected that the implementation of these reforms will require the disability workforce to double (Treasury 103, p17). To ensure that the employment opportunities created and supported by disability service providers, it will be essential that disability service providers are adequately supported to manage the implications of these reforms and to recruit, train and retain the workers required to respond to changes in service delivery models and in demand for services.

Improving pathways to employment

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?

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

Improved pathways to employment: school leavers

CS&HISC agrees with the draft report's assertion that pathways into employment need to be improved. Specifically, there is a need for improved pathways from secondary school into VET, as well as between VET and Higher Education institutions. Currently the lack of connectedness between sub-systems within education and training act as a barrier to progression. To address pathway related issues fully, industry, VET providers, universities, schools and government agencies will need to work together to find innovative ways to address any barriers to progression (CS&HISC Environmental Scan 2014, p36).

In terms of existing pathways from school into employment it is recognised that high school students can complete certain VET qualifications as part of VET in Schools. For example, students can complete qualifications in Children's Services and Children's Services (Outside Hours Care). This provides students aged 16 and over with the qualification they need for a career in childcare, however:

- there are concerns about the quality of some of the courses being delivered by schools;
- schools often lack the strong industry partnerships required to deliver work placements, and
- the sector is generally reluctant to employ 16 year olds.

There is a need to work with industry to address these issues and explore ways of improving the training pathways from school into careers in childcare and other sectors.

CS&HISC believes that there is a need to provide high school students with a clear understanding of the capability requirements and career opportunities within the Community Services and Health industry. This strategy could:

- better support students to make informed decisions about their future career;
- be combined with strategies to improve the aspirations and core skills for work, and
- increase participation in further study and employment in the Community Services and Health industry.

Improved pathways to employment: carers

As identified in the National Carer Strategy, an increased focus on the skill development needs has the potential provide carers with a wider range of post-caring employment opportunities as well as better equip them in their current caring role.

The previously mentioned DSS funded literature review on improving the recognition of carers' skills found that carers are likely to face similar barriers regarding transferability of skills as those faced by others returning to work after breaks in their employment. Some of the most significant barriers identified in the literature were the currency of their skills, technological skills/digital literacy and business skills.

The literature identified the following strategies to improve carers' participation in education and training:

- supporting effective transition from secondary education;
- flexible delivery options for tertiary education and training courses;
- training courses designed specifically for carers;
- foundation skills support and courses; and
- recognition of prior learning (RPL) opportunities.

Training subsidies / incentives and study allowances were also shown to have a significant role to play in encouraging and supporting carers to undertake further education and training.

The literature review indicated that existing mechanisms to support individuals into education and training have the potential to support carers to enter education and training. However, there is a lack of evidence on how to design and implement mechanisms such as foundation skills courses and Recognition of Prior Learning (RPL) to best meet the needs of carers.

The review also demonstrated a lack of evidence of the appropriateness and effectiveness of existing training initiatives for carers. A number of education and training initiatives developed specifically for carers were identified. However, in Australia most of these programs deliver informal (unaccredited) education and training (such as those programs run through state and territory carers' associations). Only one Australian accredited training program was identified, delivered by Carers Queensland.

On the basis of this evidence CS&HISC recommends continued investment in support for informal carers, and

further research into the efficacy of different approaches, in recognition for essential contribution informal carers make to delivering care and support.

Better targeting of vocational education and training (VET)

The vast majority (90%) of Community Services and Health graduates from TAFE and other government institutes, that responded to the NCVET 2013 student outcomes survey reported to be in either employment or full time education (Student Outcomes Survey 2013, NCVET).

CS&HISC believes that any improvement in the targeting of Vocational Education and Training (VET) will rely on:

- Strong partnerships between training providers and workplaces
- High quality and job relevant work placements.

Training and service providers share the responsibility for ensuring training produces graduates with the appropriate skills for the job. Training providers develop relationships with industry partners, by involving employers in the development and delivery of programs that are relevant to the workplace and respond to industry requirements.

Feedback CS&HISC has received from industry stakeholders supports the view that the work placement plays a critical role in ensuring students develop the competencies required for the workplace. This feedback also highlights difficulties sourcing work placements. Issues relating to the sustainable provision of work placements are increasingly being considered (Perlin 2011; Scott and Oliver 2013; Stewart and Owens 2013) and require further attention in the VET sector.

Currently, while there is funding to support the provision of clinical placements in higher education, VET Community Services and Health work placements are un-funded. With increasing demand for services and an increase in the number of students requiring work placements, these difficulties are likely to get worse, particularly without a mechanism to better incentivise employers to participate in the delivery of quality work placements. There is also a need to better ensure the quality and job relevance of Community Services and Health work placements.

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?

Improving job services system

The job services system needs to play a key role in local and regional workforce planning and workforce development more broadly. Job Services Agencies are in a position to match employees with employers and to recommend appropriate training and development to improve an individual's employment prospects. To perform this role well they need improved access to training and workforce data, information and expertise. This could be achieved through improved recognition and support for workforce development that engages with government, employers, employment service providers and training providers. These agencies need to be made aware of the job growth and employment opportunities within the community services and health industry so they can encourage those experiencing employment disadvantage to move into this industry.

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?

No response.

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?

No response.

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

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?

Community generated opportunities

CS&HISC is an advocate for local and regional collaborative approaches to workforce development. The Aged Care Workforce Innovation Networks brought together employers, training providers and peak associations to identify and address local and regional business and workforce issues. The WIN regions implemented a range of approaches to support aged care service providers to be more resilient and prepared for reform, including those that supported local people into jobs in aged care.

The positive feedback and innovative projects coming out of the WIN regions have demonstrated the potential that this sort of initiative has in supporting businesses to develop local solutions to national issues.

A similar collaborative approach could be used to target areas of need to identify and create employment opportunities. For example, by establishing community capacity and workforce development networks in those areas of high youth unemployment such as West and North West Tasmania; Carins; and Northern Adelaide (Worst Youth Unemployment Hotspots, Australia Wide, year to January 2014, ABS).

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?

No response.

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?

No response.