# 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?

| No comment |
| --- |

### 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?

| No comment |
| --- |

### 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?

| No comment |
| --- |

### 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 comment |
| --- |

### 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 comment |
| --- |

### 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?

| No comment |
| --- |

## 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?

| No comment |
| --- |

### Early intervention

**Page 85 to 88** of the Interim Report considers risked 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?

| No comment |
| --- |

### 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?

| Highly tailored training combined with other assistance can assist disadvantaged young people improve LLN and job search. However, it is the nature of the training and the delivery environment which can make a difference to success or failure. Our experience demonstrates that a departure from the usual approaches might be needed to successfully help disadvantaged young people through. RDA Sydney developed (based on the input and collective wisdom of a consortium of JSAs, training and social organizations) and collectively implemented a holistic training model. *GPS for your Career*, for disadvantaged youth in 2012 which produced a number of employment and training outcomes, in the Liverpool area in NSW.The project transitioned 13 vulnerable, early school leavers at risk of dangerous behaviours into trade training and employment in local charities and companies. Most participants lacked peer, community and home role models and connections, some suffered from substance abuse, lacked motivation, had low expectations and were ineffective in finding work and were at risk of long-term unemployment.The model included a diverse set of workshops and interventions that were not normally used by JSAs, such as: Early identification of barriers (housing, mental health, addictions, etc) and interventions through referral to appropriate health and community services and follow up by the project coordinator, to ensure problems impacting on participants’ ability to gain training and employment were addressed at an early stage.A personal development program, *Try your Own Potential* (was conducted in the context of a youth camp in the bush with physical exercise, group dynamics, discussions, feedback etc) which triggered discipline, team work, leadership, communication and soft skills acquisition, needed to succeed in the work environment; vocational assessment and trade tasters; tailored training in literacy and business skills and a closely guided five-week intensive job seeking assistance.This cross section of content and interventions addressed the different but interconnected dimension of need, which combined, seemed to have triggered the impetus for participants to make the difficult transition into employment and training.The model identified some best practice. It proved that flexible, coordinated and innovative approaches work with young people that tend to identify with a more *upbeat* type of training environment and content (off site training, visual materials, personal expression etc) -combining experiential with skills learning. An honest engagement, close supervision and follow up by the project coordinator were key to the success of the project. We found that participants faced a number of problems they had to address that were more pressing to them than employment was. For example addiction, family problems, etc so training and employment had to be fit into the broader dimensions of their lives. These need to be taken into account when assisting young people.We also identified fragmentation in service provision. The key to achieving positive changes especially at the local level is the way in which services and agencies work together assisting disadvantaged young people to prepare for and make the transition to employment. We found this was not always the case so service integration is vital as is the continuity of service provision. Centrelink and JSAs need to adopt youth friendly approaches and increase their specialist youth services.While GPS for your Career, which was conducted by Inspire Community with LEC funding, was more costly to the government than the usual approaches, it has the potential to be most cost effective in the long term in terms of savings made by government in income support and health, community and juvenile justice services, if participants disengage from their communities. |
| --- |

### 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?

| RDA Sydney was successful in receiving funding through the National Homelessness Strategy administered by the Department of Families, Housing, Community Services and Indigenous Affairs (now Department of Social Services) to pilot an employment integration model for homeless jobseekers in the Inner City and Nepean areas of Sydney. The project adopted the *WorkFast* model to explore models of integration, *WorkFast* has an immediate and primary focus on helping the jobseeker gain employment as soon as possible and requires strong integrated and support for clients, from outreach until long into the employment experience.From the learnings of this project RDA Sydney recommends that an integrated service model (i.e. joint case management) should be a standard operating procedure for employment service providers for jobseekers identified as having complex issues. Employment services contracts, including KPIs, systems and funding, should strongly influence employment service providers to develop and implement an integrated service model approach. Employment services funding should reflect the additional cost to the provider to establish the appropriate partnerships and to maintain ongoing relationships. Funding should also reflect the need for the establishment and the ongoing operation of outreach services by Employment Service Providers at the premises of partner agencies and in the case of homeless jobseeker at places frequented by rough sleepers. Although both housing and psycho/social services do not have employment as their primary focus it is a pathway out of homelessness and to mental wellness therefore their engagement in an integrated service model is essential, however many of these services are not resourced to engage in their client’s pathway to employment at the level required to have a true integrated system. Examination of the funding streams to housing and psycho/social services is required to determine how this integration can be accomplished or perhaps employment pathways funding should be considered as a funding source to these agencies as a fee for joint case management services. There also needs to be an acknowledgement that the post placement support for clients with complex issues requires more resources for a longer duration to gain maximum outcomes. It is positive to see in the Employment Services Exposure Draft that there is a real focus on creating ongoing relationships with employers and RDA Sydney strongly recommends that for jobseekers with complex issues who have stated that they want to work that the service is built round active job search with reverse marketing efforts. This should be coupled with financial incentives to employers to train on the job and to provide employment for real wages. Vocational and non –vocational services should wrap around this focus and support its ongoing sustainability. |
| --- |

### 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?

| No comment |
| --- |

## 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?

| Annually the Commonwealth Government spends on procurement $72 billion and the NSW Government $27 billion. If social procurement practices are adopted by government agencies opportunities are created for job creation, business development and economic participation for those excluded or disadvantaged. Social procurement involves organisations intentionally choosing to purchase a social or economic outcome when they buy goods, services or works. RDA Sydney is a partner in a working group which is developing a social procurement action plan for Greater Western Sydney. This working group has representatives from Federal, State and Local Government; decision makers directly involved in major infrastructure projects, social enterprise development organisations and skills industry councils. The five themes of the action plan are:* Enhancing social procurement practice for government and business;
* Developing local business opportunities especially for SMEs through capacity building;
* social enterprise development to participate in public and private supply chains and effectively deliver employment and employment pathway solutions for disadvantaged jobseekers;
* Partnerships with major projects to establish the clear pathways to the above opportunities;
* Systematically connecting labour supply (especially disadvantaged jobseekers) to available jobs.

RDA Sydney recommends that a more proactive strategic approach is embedded in government procurement practices which result in a cost effective purchase of good, services or works that generate economic or social outcomes; For example North West Rail Link is working with the Department of Employment, NSW Training Services and Skills Industry Councils to develop appropriate industry led training packages and to connect local Employment Services clients to employment opportunities. However, unless learnings are taken from one major project to another the whole social procurement process has to start again which in the long term duplicates systems and does not leverage one project off another resulting in a less cost effective outcomeThe positive perspective of government’s procurement capacity is that they can dictate within reason criteria that will definitely generate opportunities for disadvantaged jobseekers and social enterprise development. However, to ensure viability of the project there needs to be a centralised system in place for contractors to access targeted disadvantaged jobseeker groups, there needs to be connection to the appropriate training bodies if relevant or to a data base of accredited social enterprises with descriptors of their business capacity. This piece of work requires further investigation and investment. |
| --- |

### 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?

| As stated previously RDA Sydney project managed the *Employment Integration for Homeless Jobseekers* pilot project. The *WorkFast* model was used to explore integration opportunities and blockages. WorkFast like IPS has competitive employment as its ultimate goal and eligibility is based on jobseeker choice. The aim is to have employment services integrated with mental health and housing services with job search processes starting immediately after the person expresses an interest. Like IPS support continues for employed jobseekers as the need arises. As this pilot was targeted to jobseekers experiencing homelessness the barriers to employment were diverse, some had episodes of ill mental health, and others had unresolved legal issues whilst others had addiction problems. The common factor with this group of clients is that they all had experienced homelessness recently and that they were clients of the local housing and/or social/psycho services. Not all were clients of the local JSA/DES providers at the commencement of the pilot but registered during the project.The funding for this project was for 12 month duration and during that time we learnt that a reasonable timeframe is required to develop an integrated service delivery prototype and all agencies funding the services need to be at the table from the beginning with an openness to explore new delivery models. The support agencies and employment services also need to see value in providing an integrated service and are given permission to work outside their contractual constraints to mould and explore potential options for delivery of services. There also needs to be a very strong focus on employer engagement with incentives available for wage subsidies and on the job training. Post placement support delivery needs to be developed with employment and support agencies with each defining their roles and responsibilities. |
| --- |

### 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?

| No comment |
| --- |

## 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?

| United Way Australia has developed an excellent model for corporates to invest their organisation’s human, financial and technical resources in initiatives that open up opportunities to co-create social change in communities. They have key priorities based on a sound understanding of the core nature of social problems.We recommend further examination of this model with United Way. |
| --- |

### 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 comment |
| --- |

### 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?

| Many Rivers is an organisation which operates in many disadvantaged parts of Australia including Western Sydney. It receives most of its funding from philanthropic sources and is partnered with Westpac for its loan provision to micro-enterprises. The model applied by Many Rivers has resulted in a very high loan repayment rate compared to other business loans. This is quite an achievement considering many of their clients come from some of the most disadvantaged areas in Australia. Their approach is:* Local Enterprise Development – they live and work in the community they operate.
* They provide practical business support focusing on what needs to get done to get the business started.
* They provide access to finance providing business loans based on mutual trust, no security is required.
* They journey with the people walking alongside the clients providing support and encouragement.

They have supported 577 businesses and S3.2 million in loan funds. |
| --- |

### 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 comment |
| --- |

### 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 comment |
| --- |