



Australian Government

Australian Government response to the
House of Representatives Select Committee on Intergenerational
Welfare Dependence report:

Living on the Edge: Inquiry into Intergenerational Welfare Dependence

February 2020

Introduction

The Australian Government welcomes the House of Representatives Select Committee on Intergenerational Welfare Dependence (the Committee) report *Living on the Edge: Inquiry into Intergenerational Welfare Dependence*. The Australian Government believes all Australians deserve a high quality of life. Welfare dependency is a complex and serious issue which impacts on individuals, families and communities. Addressing the underlying drivers takes a coordinated approach across all levels of government.

The Committee was appointed on 24 May 2018, and produced the *Living on the Edge: Inquiry into Intergenerational Welfare Dependence* report (the Report), which was tabled on 22 March 2019. This Report focuses on the entrenched disadvantage experienced by welfare dependent families in Australia.

The Report's recommendations include: funding which is both long-term and flexible, and coordinated between the Australian and state governments and local services; improvements to data and evaluation; and strategic government leadership which supports local leadership and builds community capacity. Of the 16 recommendations, the Australian Government supports 10, supports in-principle two and notes four.

The Australian Government response reflects a coordinated and considered approach to meeting the needs of those at high risk of experiencing intergenerational disadvantage and their families. The Government already has various initiatives which align with a number of the Committee's recommendations either in full or part. The response also highlights areas in which other related and relevant work is being undertaken.

Inquiry into the Intergenerational Welfare Dependence

Recommendations made by the Committee

1. The Committee recommends that the Australian Government continue to prioritise funding for place-based and wrap-around services that can demonstrate evidence of successful programs for people living with entrenched disadvantage.

Supported

The Australian Government remains committed to funding place-based and wrap-around services which demonstrate evidence of successful outcomes for people living with entrenched disadvantage.

To support this approach, the Australian Government is implementing Stronger Places, Stronger People, a place-based collective impact initiative, which aims to demonstrate place-based collective impact approaches create better outcomes for children, their families and the whole community, and can disrupt disadvantage over time. Stronger Places, Stronger People is being implemented in partnership with state and territory governments and 10 communities across Australia.

Other place-based models of investment are also funded by the Australian Government. These models include the Communities for Children Facilitating Partners program, which is a place-based model of investment operating in 52 locations across Australia. The program facilitates a whole of community approach to support early childhood development and wellbeing with a focus on children from birth to 12 years, and can include children up to 18 years and their families.

In addition, the Australian Government funds Connected Beginnings, which is a place-based initiative jointly supported by the Department of Health and the Department of Education, Skills and Employment currently in 15 locations across Australia. The Australian Government is providing around \$45 million from 2019-20 to 2021-22 for Connected Beginnings projects. The program improves the integration of early childhood, maternal and child health, and family support services with schools in a number of Indigenous communities experiencing disadvantage so children achieve the learning and development outcomes necessary for a positive transition to school.

The National Indigenous Australians Agency (NIAA) works in genuine partnership with Aboriginal and Torres Strait Islander peoples, communities and other stakeholders to design and deliver responsive policies, programs and services to the unique needs of local communities and to improve social and economic outcomes.

The NIAA administers the Indigenous Advancement Strategy (IAS). The IAS represents an investment of over \$5.2 billion between 2019-20 to 2022-23.

Programs funded under the IAS address Indigenous disadvantage through a range of measures and seek to develop the strengths and protective factors of communities which support strong and healthy families and safer communities. The NIAA enables strong local engagement to support an investment approach which focuses on those areas of the life-course which deliver the greatest benefit for Indigenous Australians.

For example, in Yarrabah (Queensland) the IAS invests in the Yarrabah Leaders Forum (YLF). The YLF is the leadership and local decision making group for the community and ensures engagement and investments complement the community's priorities. The NIAA worked closely with the YLF to co-design an approach to implement the Remote School Attendance Strategy in a tripartite governance arrangement with Yarrabah State School and the Yarrabah Aboriginal Shire Council.

The Australian Government, through the IAS, funds a range of national Indigenous-specific employment programs which directly place people in jobs, including significantly disadvantaged cohorts. Two employment programs that support placed based approaches include:

- Vocational Training and Employment Centres (VTEC) which support Indigenous job seekers through provision of job specific training, guaranteed job placement, and post placement support for the first 26 weeks of employment.
- Tailored Assistance Employment Grants (TAEG) which have been designed to respond flexibly to local employment conditions, and have three streams targeting specific cohorts to maximise outcomes for current and future Indigenous job seekers:
 - TAEG – Employment: providing training and post-placement support for job seekers to reach 26 weeks sustainable employment.
 - TAEG – Cadetships: assisting students to complete their studies, while at the same time providing practical work experience.
 - TAEG – School-based Traineeships: an educational and employment pathway, combining work-related training or employment with vocational training and senior secondary school studies.

The Regional Employment Trials program is a place-based model that recognises that some regions face challenges in terms of employment opportunities and growth. The program has been rolled out in 10 selected disadvantaged regions, using a place-based approach to support local stakeholders to identify, co-design and deliver employment related projects to address the challenges of their regions. The projects identified in these regions have varied to meet the needs of local communities, and include focusing on providing assistance to migrants, youth, Indigenous, and other vulnerable cohorts to overcome barriers and become more work ready.

2. The Committee recommends that the Australian Government immediately work through COAG to implement the agreed COAG recommendation from 2009 that all educational data sets including school attendance records should be shared between all states and territories.

Supported in principle

Where parental permission is provided, school attendance records are already included as part of the Interstate Student Data Transfer Note (ISDTN) and Protocol, which is a national system for the transfer of student information between schools when children move from one state or territory to another. The Education Council is currently reviewing the ISDTN and Protocol to identify data transfer gaps and consider future data sharing arrangements.

The Australian Government has also been working with states and territories to implement additional arrangements to ensure sharing of educational data sets, including school attendance records. These arrangements involve the collection and reporting of aggregate-level statistical data by the Australian Curriculum, Assessment and Reporting Authority (ACARA) and the development of a national unique student identifier (USI) as part of the National School Reform Agreement.

ACARA is an independent statutory authority with responsibility for collecting and reporting statistical information on schooling on behalf of the Education Council. The Measurement Framework for Schooling in Australia, published by ACARA, is the basis for reporting to the community on progress towards the Melbourne Declaration on Educational Goals for Young Australians. The framework underpins the National Report on Schooling in Australia and details key performance measures for schooling, including student attendance and achievement. All jurisdictions and sectors have agreed to provide nationally comparable data on student attendance in line with the National Standards for Student Attendance Data Reporting.

The Australian Government is also working with states and territories to implement a national USI as part of the National School Reform Agreement. The USI will allow better tracking of student achievement across all education systems in order to better understand student progression.

3. The Committee recommends that the Australian Government works with state and territory governments to ensure immediate increases in funding for emergency relief housing and ongoing low cost housing throughout Australia.

Noted

On 11 February 2019, the Prime Minister, the Hon Scott Morrison MP, announced \$78 million for safe places for women and children experiencing domestic and family violence. This includes \$60 million for emergency accommodation to deliver up to 450 safe places and helping up to 6,500 women and children per year. The Australian Government has been working with states and territories encouraging them to understand how they will support this program, ahead of the grants round which opened in late 2019. It is expected emergency accommodation funded will be operational and providing services by July 2022.

While state and territory governments are primarily responsible for housing and homelessness, the Australian Government also makes an important contribution. The Australian Government will spend more than \$6 billion to improve housing and homelessness outcomes in 2019-20 including:

- around \$4.6 billion in Commonwealth Rent Assistance to help eligible Australians pay their rent; and
- more than \$1.5 billion a year through the National Housing and Homelessness Agreement (NHHA) to states and territories. This includes \$125 million in dedicated homelessness funding. The NHHA bilateral agreements with states and territories commenced on 1 July 2018 and expire on 30 June 2023.

Additional measures the Australian Government is taking to improve housing and homelessness outcomes include:

- establishing the First Home Loan Deposit Scheme to support first home buyers;
- establishing the National Housing Finance and Investment Corporation to help grow the community housing sector;
- establishing the \$1 billion National Housing Infrastructure Facility to help unlock new housing supply, including social housing; and
- \$30 million to build more than 100 social and affordable homes under the Hobart City Deal.

4. The Committee recommends that funding arrangements for welfare-related programs are reviewed, with a view to avoiding short-term funding cycles. Three to five year agreements, with annual extensions subject to meeting agreed performance measures, would assist with funding certainty, while ensuring progress and satisfactory outcomes are achieved.

Supported

The Australian Government remains committed to implementing longer-term agreements (including options for extension terms), where appropriate.

The Australian Government recognises longer-term agreements create greater certainty for organisations, enable strategic planning to be undertaken, and reduce service disruption and red tape, leading to a greater focus on service delivery and improved outcomes for vulnerable Australians over time. The Australian Government is currently in the process of negotiating five-year agreements for the new Integrated Carer Support Service, Carer Gateway service providers, that are expected to be delivering services from April 2020.

When grant activities are due to cease, the programs are reviewed and grant recipients are advised of the intention for the activity in advance of the grant activity ceasing, to facilitate organisational planning.

Key factors influencing agreement length are considered early in the grant design phase, including (but not limited to) the funding term, the Activity Risk Profile, the nature of the activity (project, pilot or ongoing service), the desired outcomes of the program, and a robust performance management framework to ensure the program continues to meet community needs into the future.

5. The Committee recommends that funding agencies work with service providers to ensure accountability for expenditure of public funding in a way that allows programs to be flexible and responsive to local conditions.

Supported

The Australian Government is committed to working with service providers to implement programs that are flexible and responsive to local conditions.

Sector collaboration and engagement are key elements in designing and implementing successful programs. A recent example is the significant consultation undertaken for the Integrated Carer Support Services. Place-based approaches to disadvantaged areas are being implemented by the Department of Social Services, better enabling co-design and co-delivery solutions where the community is the change driver. For example, the place-based collective impact initiative, Stronger Places, Stronger People, is a community-led approach, where the Australian Government and state and territory governments are partnering with 10 communities across Australia. The Stronger Places, Stronger People model includes consideration of how public funding in partner communities can best support local priorities and needs.

Where effective in delivering policy outcomes, partnerships, consortia, sub-contracting arrangements and collaboration are encouraged as part of grant opportunities. These approaches, which have been employed for the Integrated Carer Support Services Carer Gateway service provider grants, improve local joined-up service offerings to support consumer-centred service offers and improve outcomes for individuals and families. They also enable program flexibility and responsiveness to changing community priorities whilst improving local capability.

The Department of Social Services is leading the establishment of three Social Impact Investment trials in the social services sector, announced in the 2019–20 Budget. The trials will involve initiatives that seek to increase workforce participation of people who receive working age income support payments, and strengthen the wellbeing of children. These trials will involve a payment by outcome model where organisations will be funded based on the social outcomes they achieve. The trials will support the Australian Government’s focus on the verifiable achievement of measurable outcomes from taxpayer-funded social service investments.

Outcome-focussed performance management processes enable grant recipients to negotiate revised service delivery to meet changing community needs within the scope of the funded activity. Evaluation processes also enable grant recipients and the broader sector opportunities to enhance policy design for improved sustainable outcomes for Australians.

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| <p>6. The Committee recommends the continuation of comprehensive longitudinal data collection by state, territory and Australian Governments, to enable informed decision making on the Priority Investment Approach.</p> |
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Supported

The Australian Government is committed to building a national longitudinal evidence base to inform policies and practices to improve the lifetime wellbeing of people and families in Australia. This is continuing through work on the Household, Income and Labour Dynamics in Australia Survey; Growing Up in Australia: The Longitudinal Study of Australian Children; Footprints in Time: The Longitudinal Study of Indigenous Children; and other longitudinal surveys. The Australian Government has provided funding of approximately \$27 million in 2019-20 for these longitudinal surveys, which are funded on an ongoing basis. Additionally, the Australian Government funds the Data Integration Partnership for Australia initiative, which is a three-year, \$130.8 million investment to maximise the use and value of the Government’s data assets from 1 July 2017.

The Priority Investment Approach is underpinned by comprehensive, administrative data on social security payment recipients over a number of years. The trends in this data are used to predict future welfare costs, identify groups most at risk of disadvantage and inform targeted policy responses. As relevant data and insights from the evidence base become available to the Australian Priority Investment Approach to Welfare, the Department of Social Services will consider how they can be incorporated into the model, and /or be considered in investment, policy, or program management decisions.

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| 7. Success of the Priority Investment Approach should be measured not just by reductions in welfare expenditure, but also by improved outcomes for welfare recipients. |
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Supported

The Australian Government is continuing to develop and enhance the Australian Priority Investment Approach to Welfare (PIA) evidence base to improve the wellbeing of the most vulnerable in our community. While this evidence base allows us to measure the long-term financial sustainability of the welfare system, the focus is on identifying where we can invest early to assist people most at risk of long-term welfare dependency to find work and improve their overall life chances. Non-financial outcomes, such as educational attainment and family formation, form part of the current PIA model. Future directions include cross-agency collaboration to allow greater focus on using broader data relating to health, education, housing and employment.

Using insights from PIA, the Try, Test and Learn (TTL) Fund is generating new insights and empirical evidence into what works to reduce long-term welfare dependence. TTL Fund projects will be evaluated to produce policy evidence about the effectiveness of the interventions.

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| 8. The Committee recommends that the Australian Government continue to streamline data sharing protocols and arrangements with states and territories. |
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Supported

The Australian Government supports appropriate data sharing between all levels of government to enhance public policy and decision-making, and improve outcomes for people, businesses and the economy.

National Data Commissioner

Acknowledging the value of public sector data, and the need to use it for the right reasons with appropriate safeguards, the Australian Government established the Office of the National Data Commissioner in July 2018. The Office of the National Data Commissioner is responsible for developing and implementing a data sharing and release legislative framework that improves access to and re-use of public sector data, while maintaining data privacy and security.

The Office of the National Data Commissioner is working towards building a national data sharing system. While the legislation will focus on Commonwealth data, it will enable participation by all levels of government over time.

The National Data Commissioner is also working with state and territory government agencies and regulators on consistent approaches to data sharing across jurisdictions. Collaboration on guidance, standards and approaches will help streamline, simplify and align data sharing arrangements. This consistency will help build trust in governments' use of data.

Australian Data and Digital Council

The Australian Data and Digital Council (ADDC) has been established to facilitate and drive better cross-government collaboration on data and digital transformation and to create better services and policy outcomes for all Australians. The ADDC is advancing a number of specific cross-jurisdictional data sharing projects. These projects assist in streamlining data sharing between all governments.

National Child Protection Information Sharing

The Department of Social Services has been working with all states and territories to develop and implement a national child protection information sharing platform. The NSW Department of Communities and Justice led the contract negotiations with the successful provider. The platform was announced on 7 November 2019 and will enable state-based child protection agencies to exchange relevant information for purposes related to preventing, identifying and responding to situations where children are at risk of harm.

The Australian Government has provided \$3.9 million to the project with states and territories to provide supplementary funding. State and territory child protection agencies will implement the system, which is expected to be up and running by 2020.

The project is an initiative under the National Framework for Protecting Australia's Children, and goes toward addressing recommendations made by the Royal Commission into Institutional Responses to Child Sexual Abuse.

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| <p>9. The Committee recommends that funding agreements with social service providers build in meaningful requirements for program evaluations or progress reports, and avoid imposing evaluation requirements that result in 'proxy' measures being reported to meet administrative timeframes.</p> |
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Supported

The Australian Government is committed to ensuring funding arrangements are underpinned by meaningful evaluations and reporting to provide evidence grant programs are delivering against their intended objectives and outcomes.

The Data Exchange is a program reporting platform that provides a standard way of collecting and measuring service delivery and client outcomes data from funded organisations. The move to the Data Exchange has resulted in an estimated annual \$8.1 million reduction in regulatory burden while providing a program performance system the Australian Government can use to collect and analyse outcomes of social services in a standardised way.

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| <p>10. The Committee recommends that the Australian Government improve its coordination with state and local programs, to ensure expenditure achieves the best possible outcomes, and avoids duplication.</p> |
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Supported

The Australian Government is supportive of initiatives that will ensure more joined up approaches to expenditure, and achieve the best possible outcomes for individuals and families in Australian communities.

The Department of Social Services is responsible for a number of initiatives that are aimed at improving outcomes through better coordination.

The Stronger Places, Stronger People initiative

The Department of Social Services is implementing Stronger Places, Stronger People, a place-based collective impact initiative, in partnership with state and territory governments and 10 communities across Australia.

Stronger Places, Stronger People involves collaboration between communities, all levels of government, service providers, business and philanthropy to deliver on a locally designed strategy and plan of action to create better outcomes for children, families and communities.

The Stronger Places, Stronger People initiative seeks to demonstrate a place-based collective impact approach can create better outcomes for children and their families living in these communities and can disrupt disadvantage in participating communities over time.

One of the key elements of the collective impact methodology is funding and systems reform. Funding reform can occur in a number of ways. A collective impact initiative will identify what supports are required to address the priorities identified by the community. Consideration will then be given to how existing investments could be better positioned to meet this need. This can range from existing providers aligning what they are delivering to community priorities, to larger scale reforms where existing funding is redirected to alternate initiatives.

As a key partner in the initiative, the Department of Social Services is committed to exploring ways to better coordinate investment to support Stronger Places, Stronger People communities to implement their community strategy and get better outcomes.

State and territory government partners, and other funders, are similarly expected to explore ways to coordinate and better align their investments with the priorities identified by the community, to ultimately improve outcomes for children and their families in those communities.

Coordinated Funding Framework

Through the Northern Territory Tripartite Forum for Children and Families, the Australian Government is working with the Northern Territory government and community sector to develop and implement a joint Commonwealth-Territory Co-ordinated Funding Framework (the Framework). The Framework, a key recommendation from the Royal Commission into the Detention and Protection of Children in the Northern Territory, will provide an agreed approach to the planning, funding and delivery of services for families and children in the Northern Territory. The Framework will also enable better coordination between Australian Government programs and state and local programs to ensure expenditure achieves the best possible outcomes.

The Australian Government has also commissioned a Productivity Commission study on Expenditure on Children in the Northern Territory. The study will look at what family and children services are being funded in the Northern Territory and how decisions about expenditure are being made. The study will look at ways to improve funding arrangements and the services they deliver. A draft report was released in November 2019 while the final report is due in April 2020.

Social Impact Investing

As part of the Australian Government's commitment to trial social impact investing as an innovative model to achieve social outcomes the Department of Social Services is partnering with state and territory governments on social impact investing projects to deliver outcomes for youth at risk of homelessness and other priority groups. The Australian Government has committed \$22.3 million from 2017-18 to 2026-27 to trial the effectiveness of this approach and work with the states, including supporting access to data to support social impact investments within the state governments.

11. The Committee recommends that the Australian Government supports programs that build local leadership capacity, and incorporate local input in identifying and implementing solutions to entrenched disadvantage.

Supported

Local leadership and community voice are key elements to creating better outcomes and addressing entrenched disadvantage. The Australian Government supports the implementation of programs and initiatives to build local leadership capacity and incorporate local input in identifying and implementing solutions to entrenched disadvantage.

One way the Australian Government is supporting community-led initiatives to build local leadership capacity is through the implementation of Stronger Places, Stronger People, a place-based collective impact initiative.

Collective impact is a community led movement to achieve large scale change, informed by broad and inclusive community and stakeholder engagement, which provides a framework to address poverty and disadvantage. Collective impact initiatives are informed by a shared vision and a locally developed strategy and plan of action.

The Stronger Places, Stronger People initiative is being implemented in partnership with state and territory governments and 10 communities across Australia.

Each Stronger Places, Stronger People community will receive funding to support a local project team to work with local leaders, residents and organisations to develop, implement and evaluate a community strategy and action plan designed to improve outcomes for children, families and communities. The Government will also provide support for local leadership capacity building in each Stronger Places, Stronger People community.

Community voice is also a key component of Communities for Children Facilitating Partners (CFC FP) which is delivered in 52 locations. A Communities for Children Committee (the Committee) is established in each site and chaired by the CFC FP. Committee membership includes a range of community representatives, including clients, parents and caregivers, local businesses and service providers. The Committee drives the direction of the CFC FP initiative in the site, including advice on which programs should be funded under the initiative, and is the key decision-making mechanism for the site.

The Connected Beginnings initiative supports projects that feature co-design, collaboration and building the capacity of Indigenous communities in order to support local decision making and the leadership required to strengthen health and early learning outcomes for children.

The NIAA funds Stronger Communities for Children, a place-based community-led initiative operating in 10 remote Northern Territory communities. An Indigenous organisation is funded as the Facilitating Partner to support a local community board to make decisions about the kind of locally designed activities needed to address priorities for children, youth and families identified for action in their community plan. Commencing in 2013, the Australian Government has provided more than \$46 million to Stronger Communities for Children through to December 2020.

The Indigenous-designed Empowered Communities (EC) initiative involves Indigenous communities and governments working together to set priorities, improve services and apply funding effectively at a regional level. Importantly, it aims to increase Indigenous ownership and give Indigenous people a greater say in decisions that affect them. EC is being implemented in eight urban, regional and remote regions across Australia. Commencing in May 2016, a total of \$31 million is being provided until 30 June 2022 for backbone organisations in eight EC regions. Backbone organisations provide critical support to the Indigenous EC leaders and communities, and work with governments and other stakeholders to implement EC in each region. Working in partnership under EC includes joint decision making arrangements that allow for community advice to inform government's funding decisions under the Indigenous Advancement Strategy, and co-designing local solutions to community identified priorities.

In November 2019, the Government commenced a co-design process to develop an Indigenous voice at a local, regional and national level. This approach is about ensuring Indigenous Australians are central to the design of models to provide a greater say about policies and programs that affect them.

A Senior Advisory Group will assist, guide and oversee the co-design process for models for local, regional and national elements of a voice. The Australian Government has allocated \$7.3 million for the co-design process. In addition to a Senior Advisory Group, two other groups will be established – a Local and Regional Co-Design Group and a National Co-Design Group. The following 12 months will consist of a two stage process. Stage one for the Local and Regional and National Co-Design Groups will involve the development of models for local and regional decision-making and a national Indigenous voice. This will be followed by consultations and engagement to refine models with Indigenous leaders, communities and other stakeholders across the country by the end of 2020.

The Regional Employment Trials program, which is being implemented in 10 selected disadvantaged regions, uses a place-based approach to support local stakeholders to identify, co-design and deliver employment related projects that address the challenges of their regions. A Local Employment Initiative Fund of \$1 million is available in each of the 10 regions, providing grant funding to support these employment related projects. In the selected regions, Employment Facilitators work with Regional Development Australia committees to enable local stakeholders to identify and develop targeted solutions to address employment issues. This supports local capacity building and developing solutions at the local level.

<p>12. The Committee recommends that the Australian Government adopt a set of principles similar to those suggested by Logan Together for addressing entrenched poverty, disadvantage and welfare dependency.</p>

Supported in principle

The Australian Government supports the work of Logan Together and recognises the achievements of the Logan Together initiative to address poverty, disadvantage and welfare dependency and create better outcomes for children aged 0-8 years in Logan.

The Australian Government will continue to support Logan Together through the Stronger Places, Stronger People initiative, including it as one of the 10 partner communities.

The Australian Government has developed a set of principles to guide the Stronger Places, Stronger People initiative, which are aligned to those suggested by Logan Together.

The Stronger Places, Stronger People principles are as follows:

- A long-term, whole-of-community approach at the local level;
- Anchored to the life-course, ‘cradle to career’ framework, informed by values, evidence and local data;
- Delivered through high-leverage social change strategies defined in the community’s strategy and plan of action;
- Enabled by strategic local coordination through a local ‘backbone team’ to design and implement a community’s strategy and plan of action, facilitate transparent and collaborative local implementation, and lead local understanding, measurement, evaluation, and learning activities;
- Powered by cultural and other local leaders, families, service providers, philanthropists, and government officials sharing accountability for planning, decision-making and results;
- Measured through annual analysis of progress to determine if the collaboration model improves lives and opportunities and delivers better return on investment; and
- Scaled through evidence of what works and sustained through strong, supportive peer networks between Stronger Places, Stronger People communities.

These principles are consistent with other place-based initiatives supported by the Australian Government, including the Connected Beginnings program guidelines. Government portfolios will continue to review program guidelines and principles to ensure consistency and appropriateness.

13. The Committee recommends that the Australian Government provides strategic leadership of welfare programs, based on national priorities and knowledge of best practice approaches.

Supported

The Australian Government provides strategic leadership of welfare programs and draws on best practice and evidence.

As noted in the Joint Departmental Submission to the Select Committee, the Australian Government has a large number of programs in place to support families to break the cycle of disadvantage and intergenerational welfare dependency, build the evidence base on what works, and support families and communities to build opportunity, human capital and capability.

14. The Committee recommends the Australian Government review the effects of government policy, including the adequacy of payments, on young people and single parent families in the 46th Parliament.

Noted

The Australian Government provides support to individuals and families through the social security and family assistance systems.

The Australian Government recognises the importance of supporting young people and single parent families, who are unable to work, or have a reduced capacity to work, due to their caring responsibilities.

Income support payments such as Parenting Payment, Newstart Allowance and Youth Allowance and additional supplements, where eligible, provide a safety-net for parents and children. Income support payment rates are indexed regularly.

Income support payments for young people and single parents automatically attract Energy Supplement. Recipients of these income support payments also attract a range of supplementary benefits for additional costs they may have, including Rent Assistance, childcare subsidy assistance and payments such as Family Tax Benefit, depending on their individual circumstances.

Parents who receive income support payments are generally also eligible to receive the maximum rate of Family Tax Benefit (FTB) Part A to assist with the cost of raising their children. The maximum rate of FTB Part A is \$186.20 per child aged under 13 years and \$242.20 per child aged 13 to 15 or a secondary school child aged 16 to 19 years.

FTB Part B provides additional assistance for single parents. The maximum rate of FTB Part B is \$158.34 per fortnight per family, if the youngest child is age 0 to 5 years and \$110.60 per fortnight per family, if the youngest child is aged 5 to 18 years.

Recipients of income support payments such as Parenting Payment, Newstart Allowance and Youth Allowance are also automatically issued with a concession card that provides access to a range of health care and medicines at lower cost.

The Australian Government remains committed to social security and family assistance policy that provides payments for those who need them and balances this expenditure against its responsibility to ensure payments are well-targeted and sustainable into the future.

<p>15. The Australian Government consider changing the point at which single parents move to Newstart Allowance; from when their youngest child turns eight to when their youngest child turns twelve. This should be in conjunction with continued efforts to increase the participation of parents in the workforce.</p>
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Noted

The Australian Government understands the challenges faced by parents in combining employment and caring responsibilities.

Parenting Payment is the main income support payment available to people with sole or primary responsibility for the care of a young child.

As their youngest child grows older and starts school, a parent's capacity to undertake work increases and the income support payment they are entitled to receive needs to provide incentives to participate in paid work. Encouraging greater participation to the extent possible benefits and assists families to be advantaged by the long-term benefits of work.

Newstart Allowance is the main income support payment for job seekers, including single parents, once their youngest child turns eight. For partnered parents, this occurs when their youngest child turns six.

Newstart Allowance is designed to provide a safety net for people who require financial assistance, while maintaining incentives for parents of school age children to find and maintain paid work.

Parents caring for children, whether receiving Parenting Payment Single or single Newstart Allowance recipients with the primary care of a dependent child, may also receive additional assistance where they face additional costs:

- Rent Assistance of up to \$183.12 per fortnight.
- Family Tax Benefit Part A of up to \$186.20 per child aged under 13 years per fortnight and \$242.20 per child aged 13 to 15 years or a secondary school child aged 16 to 19 years per fortnight.
- Family Tax Benefit Part B of up to \$158.34 per family per fortnight if the youngest child is aged 0 to 5 years and \$110.60 per family per fortnight if the youngest child is aged 5 to 18 years.
- Education Entry Payment of \$208 annually.
- Telephone Allowance of up to \$178.40 annually.
- Mobility Allowance of up to \$139.10 per fortnight.
- Carer Allowance of up to \$131.90 per fortnight.
- Pensioner Education Supplement of up to \$62.40 per fortnight.
- Language, Literacy and Numeracy Supplement of \$20.80 per fortnight.
- Approved Program of Work Supplement of \$20.80 per fortnight.
- Remote Area Allowance of \$18.20 per fortnight, plus \$7.30 per fortnight for each dependant.
- Energy Supplement of \$9.50 for Newstart Allowance per fortnight and \$12.00 for Parenting Payment Single per fortnight.
- Pharmaceutical Allowance of \$6.20 per fortnight.

Single parents receiving Newstart Allowance with the primary care of a dependent child receive a higher rate of Newstart Allowance than those without the primary care of a dependent child. They also benefit from a single income test taper rate of 40 cents in the dollar, which is the same as the Parenting Payment Single income test taper rate and more generous than the Newstart Allowance income test taper for single people, without the primary care of a dependent child.

Further, single parents receiving Newstart Allowance with the primary care of a dependent child keep the Pensioner Concession Card for 12 weeks after ceasing payment due to earnings and may access a Health Care Card for a further 14 weeks if they remain off payment. This provision is designed to further support people to transition from income support to work.

The Australian Government provides a range of employment services and supports to assist job seekers, including single parents, into work in a way that is tailored to their individual needs and circumstances. Government-funded employment services assist job seekers to find work, to address their employment barriers, to better meet the needs of employers and to encourage employers to employ disadvantaged job seekers. In the mainstream employment service, *jobactive*, providers have the flexibility to deliver services based on what each individual job seeker needs to become work-ready. *jobactive* providers work with job seekers to develop personalised strategies and innovative approaches to meet the needs of job seekers and employers.

The Australian Government also provides a range of programs and incentives to support single parents move to employment as their children get older. These include the Try, Test and Learn Fund to trial new approaches to reduce the risks of long-term welfare dependence and the ParentsNext program, which is designed to help parents of young children prepare for employment by the time their children start school and is especially targeted at parents who are at risk of long-term unemployment and welfare dependency.

The Australian Government remains committed to policy settings that provide a safety net for single parents who require financial assistance, balanced with incentives to help them to participate in paid work, where possible, and the sustainability of the system.

16. The Committee recommends that the Australian Government encourage employers to investigate opportunities associated with social investment organisations; including encouraging employers to make operational changes that would facilitate opportunities for single parents to enter the workforce, such as part-time or job-sharing arrangements.

Noted

Flexible work arrangements

The Australian Government is committed to promoting the benefits of flexible working. The Fair Work Ombudsman, the Australian Human Rights Commission, and the Workplace Gender Equality Agency all provide information and tools for employers and employees to promote flexible working arrangements.

jobactive

A network of *jobactive* providers operates across 1700 locations in Australia to deliver employment services to employers and job seekers, including single parents.

jobactive providers work closely with employers to understand their recruitment needs. They tailor their services to ensure an employer gets the help they need to find suitable staff and job seekers are supported to get and keep a job.

jobactive providers have access to a range of interventions to support or incentivise employers to provide work opportunities to job seekers who are more disadvantaged, including single parents. For example, *jobactive* providers may use wage subsidies to help broker employment opportunities for single parents and other disadvantaged job seekers. This can include brokering ongoing part-time work for single parents who want to work during school hours for example. Wage subsidies encourage employers to hire eligible job seekers in ongoing jobs by contributing to the initial costs of hiring a new employee.

jobactive providers can also access the Employment Fund to purchase a range of goods and services to help job seekers and employers. For example, it may be used to pay for training or tools or equipment for job seekers where this is required by an employer for a specific job. It may also be used to support single parents' participation in work, training or job search by paying for out-of-pocket child care or after school hours care.

ParentsNext

While the focus of ParentsNext is on pre-employment support, providers also offer assistance to parents who want to work. Providers work with employers to support parents into work opportunities that recognise their family circumstances.

Additional resources are available in the Intensive Stream of ParentsNext, which operates in 30 locations. This includes access to wage subsidies to help broker ongoing part-time or full-time employment opportunities based on the parent's preference, and access to a Participation Fund which may be used to pay for employer required training for specific jobs, or to help with out-of-pocket child care costs.

Launch into Work

Launch into Work offers a recruitment solution to employers who are willing to use a co-designed pre-employment project as a way of filling entry-level positions that offer career pathways to job seekers. The program supports the Australian Government's commitment to increase women's workforce participation by targeting female job seekers. Participants receive training, work experience, mentoring and a commitment of employment for those who successfully complete the project. Beyond these requirements, projects are flexible to meet employer and/or cohort need. For example, projects can support the return to work of parents by factoring in their circumstances to the design of projects and employment on offer at the completion of the project.

Career Revive

The Career Revive pilot initiative provides support to up to 30 medium to large businesses in regional areas over three years to attract and retain women returning to the workforce after a career break. Under the initiative KPMG will support the businesses to become more adaptable and family friendly by: reviewing their physical workplace, processes, policies and their workplace culture to identify potential barriers that might prevent them from attracting women returning to work; offering guidance on how to improve the businesses practices and policies and develop a tailored action plan to establish a supported returner program within the business; and developing a case study of the business for inclusion in an online toolkit that will provide best practice advice, practical resources and learnings for all businesses.

The Career Revive pilot initiative has a funding allocation of \$1.5 million over three years which commenced on 1 July 2019.

Disability Employment Services

Disability Employment Services (DES) deliver employment assistance for job seekers with disability. DES is delivered by a network of organisations around Australia. These organisations play a specialist role in helping people with disability, injury or health condition get ready to look for a job, find a job and keep a job.

DES providers operate within defined Employment Service Areas, and develop an understanding of employers and labour force conditions within those areas. DES providers establish a working relationship with many employers and are able to develop tailored arrangements to suit employer needs, including job carving to allow more than one person with disability to fill a position. Providers also reverse-market individual job seekers to suitable employers based on skill requirements.

DES providers work with employers to ensure placements have a good chance of success. This can include conducting workplace assessments and facilitating workplace modifications, and providing training and support to DES participants, employers and co-workers. DES providers are able to continue delivering ongoing support for as long as the DES participant requires.

Economic Empowerment

A strong and prosperous Indigenous business sector is key to empowering Aboriginal and Torres Strait Islander Australians – through job creation, financial security for families and communities, and contributing to the growth of local economies and the broader Australian economy. The Australian Government is implementing policies to ensure Aboriginal and Torres Strait Islander people have the same opportunities for business and employment as other Australians. It is doing this through targeted funding support and demand strategies that leverage the Commonwealth's procurement spending to kick start the sector, create jobs and drive demand for Indigenous goods and services. This includes the Indigenous Procurement Policy (IPP) and the Indigenous Business Sector Strategy (IBSS), as well as investing in small and micro businesses through Remote Indigenous Business Incubator pilots and Many Rivers Microfinancing as they play a critical role in creating jobs and wealth.

The Community Development Program (CDP) is a unique, community oriented program that prepares job seekers living in remote Australia to transition from welfare into real jobs, while contributing to the goals of their community. In 2019, the Australian Government announced a new Jobs Package to support the creation of 1,000 new jobs for CDP participants. It is a program that provides wage subsidies to help employers operating in remote Australia to expand and hire new staff. It will also increase employment opportunities for CDP participants.