Submission to the Australian Treasury

2020-21 Pre-budget Submission

JANUARY 2020



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The Australian Association of Social Workers

The Australian Association of Social Workers (AASW) is the professional body representing more than 12,000 social workers throughout Australia. We set the benchmark for professional education and practice in social work, and advocate on matters of human rights, discrimination, and matters that influence people's quality of life.

The social work profession

Social work is a tertiary qualified profession recognised internationally that pursues social justice and human rights. Social workers aim to enhance the quality of life of every member of society and empower them to develop their full potential. Principles of social justice, human rights, collective responsibility and respect for diversity are central to the profession, and are underpinned by theories of social work, social sciences, humanities and Indigenous knowledges. Professional social workers consider the relationship between biological, psychological, social and cultural factors and how they influence a person's health, wellbeing and development. Social workers work with individuals, families, groups and communities. They maintain a dual focus on improving human wellbeing; and identifying and addressing any external issues (known as systemic or structural issues) that detract from wellbeing, such as inequality, injustice and discrimination.

Our submission

Our vision is for a cohesive, inclusive and just society in which it is possible for everyone to thrive, flourish and develop their full potential. It is the role of government to create and maintain the environmental, social and economic foundations which enable all of us to pursue those goals, paying attention to the most vulnerable members of society. The budget is one of the government's key opportunities do this. The AASW measures the success of the budget by its social impact as well as its economic consequences.



Every day, social workers observe how decisions in the federal budget have a significant impact on the lives of vulnerable and disadvantaged groups. With this in mind, we have outlined some of the key areas that we believe the 2019-2021 budget needs to address, including:

- Climate Action
- Bushfire Response and Recovery
- Income Support
- Reconciliation
- Mental Health
- Housing
- Disability
- Family Violence
- Aged Care

Climate action

The changes confronting Australia's environment as a result of global warming are already profound and extensive, making climate policy an urgent responsibility of this government. Social workers observe that although the consequences of climate change are affecting the entire population, the economic and social burden is falling most heavily on already vulnerable people. A clear example is that low income households spend a larger proportion of their budget on energy: the heating and cooling required to cope with the increasingly extreme weather. Despite this, the subsidies and benefits to improve energy efficiency target homeowners, with limited availability to people who pay rent.

For social workers, climate change is a social justice issue.

The AASW is part of the Climate and Health alliance recognising that policies to reduce greenhouse gas emissions have the potential to bring important public health benefits. Actions to reduce greenhouse gas emissions can not only reduce the health risks associated with climate change and environmental harm, but can also improve health outcomes, and reduce costs through increases in physical activity, improved air quality, and improved diet. There are also strong economic, environmental, social and health benefits for countries that reduce emissions.

The Australian government must take immediate action in line with our international commitments, including resourcing and planning for the implantation of the Sustainable Development Goals (SDGs). The SDGs provide an important mechanism through which the Australian government can address some of the biggest challenges currently facing Australia, and the world, with a particular focus on human rights and social justice. Australia continues to decline in the global rankings, and we are seeing the devastating impacts that the increasing extreme weather events are having on



the Australian population. Government must show leadership and act to ensure we have a healthy, clean and sustainable environment as without this a surplus or balanced budget is meaningless.

Recommendations:

We call on the government to:

- Immediately invest and act to achieve strong emissions reductions to reduce the current and future health impacts and risks associated with increasing global temperature, sea level rise, and food and water insecurity
- Recognise that an urgent transition from fossil fuels to clean renewable energy is needed to achieve a zero emissions stationary energy supply
- Develop and fund effective and sustainable adaptation responses by communities to the full range of health impacts linked to climate change
- Fund and adopt a climate change policy which ensures that the costs associated with a changing climate are distributed equitably
- Adopt a coordinated, whole of government approach towards achieving the SDGs.

Bushfire Response and Recovery

The recent devastating bushfires have deeply affected all Australians. They have ravaged communities who are now starting the long path towards recovery. This is also keeping in mind that at the time of writing this submission we are still in the middle of bushfire season. A changing climate will increase the frequency and ferocity of these events and this budget provides this government to take serious action and investment towards supporting affected communities and do whatever possible to prevent this from happening again.

The AASW recognises the investment this government has made on disaster recovery, including mental health funding. This is a good start but a lot more is needed. While fire does not discriminate, we do know that socioeconomic factors and someone's health history can result in significantly different experiences of recovery. Greater investment is needed in long term, community based support that recognises how natural disasters can impact family violence, trauma, homelessness, drug and alcohol use for example. The effects of trauma, grief and loss are considerable in these situations and will have long term implications for individuals, families and their communities. We must not overlook the multitude of issues people are dealing with as they rebuild their homes and lives.

Furthermore, in the face of this national emergency, we need to look more broadly around the larger factors that are contributing to its existence. Climate change is real and the increase in extreme weather events will continue to have devastating consequences. We need real political leadership on the issue and immediate climate action to assure the safety of individuals, groups and communities.

Recommendations:

- Increase in federal funding to community-based approaches to mental health, wellbeing and community recovery
- Increase in family violence, housing, drug and alcohol and support services across Australia, but especially in fire affected areas.



 Major review of requirements for bushfire affected people on government payments, in particular the Cashless Welfare Card and Newstart Allowance, Youth Allowance, Austudy and Abstudy.

Income Support

The Right to A Minimum Standard of Living

The Social Policy Research Centre (SPRC) has calculated the amount of money that is required to provide a minimally adequate standard of living: the Minimum Income for Healthy Living (MIHL). For a single adult with no children, the level of the MIHL is \$460 and for a couple with two children, it is \$414 each week¹.

It is obvious that the current levels of Newstart, Austudy and Youth Allowance falls far short of these levels. Even when the amounts of family payments and rent assistance (and \$4/week energy supplement) are added, the combined income from allowances is significantly lower than the amount required for an adequate minimum standard of living. This shortfall has serious consequences for every aspect of the lives of people forced to rely on government income support. Data from the Australian Bureau of Statistics (ABS) confirms that low income households cannot currently afford necessities such as rent, food, energy, transport and health.².There is a broad consensus that lifting the level of Newstart would have flow on benefits for the economy and for the well-being of the community.³ The AASW is part of the Raise the Rate campaign and supports ACOSS' call to increase Newstart payments to \$95 a week.⁴

Student poverty

Students continue to be a neglected group in government policy. Our own research into student poverty found that 27 per cent of social work students indicated that the low level of financial study support from the government increased the likelihood of dropping out of the course; this percentage grew to 45 per cent for the full-time students who were experiencing ongoing financial difficulty⁵.

The right to self determination

Contrary to the government's assertion, there is no reliable evidence that compulsory income management is effective in reducing social harm ⁶. The Australian National Audit Office has concluded that the evaluation commissioned by the Department of Social Security was inadequate. The cashless welfare card has been introduced without any consultation with the people who will be subjected to it; and these people have now provided evidence to the Senate of the harm that it has caused them and their chances of finding work. Indeed, the people who have been forced onto the

⁶ https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/CDCTrialExpansion/Report/d02



¹ Australian Council of Social Service, The cost of living a decent life: New report highlights the inadequacies of income support

for low paid and unemployed Australians, Media release, 23 August 2017

² Australian Council of Social Service, *New figures are a wakeup call to government*, Media Release, 14 September 2017

³ https://www.acoss.org.au/raisetherate/

⁴ https://www.acoss.org.au/media-releases/?media_release=solutions-are-clear-to-major-nationalchallenges-impacting-peoples-daily-lives-acoss-budget-submission

⁵ https://www.aasw.asn.au/document/item/8772

card have experienced that it is a source of indirect discrimination against Aboriginal and Torres Strait Islander peoples.

Inadequacy of Current Employment Programs:

The employment programs of the current government are ineffective, punitive and unjust. The government's own report into the Community Development program demonstrates that it is widening the gap in outcomes for people in remote communities. Similarly, ParentsNext is problematic on every level. Despite ostensibly being employment services, they are based on prejudiced assumptions about groups who are vulnerable and they assume that these people must be controlled. Their operations lack transparency and create bureaucratic tangles, with harsh, unfair real-life effects. ParentsNext has also been condemned in the Senate report which investigated it⁷.

In response, the government has recently announced a New Employment Services program which overturns some of the worst elements of the current regime. Nevertheless, it falls short of the complete overhaul that is required to assist vulnerable people acquire skills and to create meaningful jobs in accessible locations. Its reliance on digital platforms risks excluding people who do not have access. More importantly the new services continue the automated penalties for non-compliance which are often applied erroneously and without any human intervention. As we have seen in the Automated Debt Recovery process and ParentsNext, this frequently results in harsh and unjust results for people who are already surviving on extremely low incomes and resources.

Recommendations

- Immediately increase the rate at which allowances for people of working age are paid to equal the amounts specified in the Minimum Income for Healthy Living, this includes Newstart Allowance, Youth Allowance, Austudy and Abstudy.
- Abolish compulsory income management and replace it with voluntary drug and alcohol services, services for people with gambling addictions and community-based investment incentive instruments.
- Scrap the system of automated digital compliance in the new model and base the assistance for people to get new skills and find a job on a humane, respectful, strengths-based service.
- That the government abolish the Community Development Program and ParentsNext and instigate respectful strengths-based job search assistance and effective job creation programs.

Reconciliation

Self Determination

The Uluru Statement from the Heart represents the results of a year of consultations and discussion conducted by the referendum council at the request of the then prime minister. On this basis it presented a unanimous recommendation for a formal advisory body. At the time the AASW condemned the instantaneous dismissal of the proposal by the then Prime Minister. The CEO, Ms Cindy Smith said: "This was not a radical suggestion. On the contrary, it was a necessary step in in shaping a just and inclusive society." The AASW maintains that this is still the case and calls on the

⁷https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/ParentsNext/Report



government to return to the Uluru statement with a view to implementing it, including allocating the necessary resources.

Closing the Gap

The latest Close the Gap progress report demonstrates that staggering levels of inequality persist across many areas including health, education and employment outcomes. The AASW welcomes last year's review of the Close the Gap campaign and the COAG statement on Closing the Gap Refresh[®] The AASW has consistently argued that Governments need to work with Indigenous communities in partnership and collaboration, at every step in the Close the Gap strategy, drawing upon their knowledge and expertise⁹,. The statement commits the Commonwealth to co-design an action plan for each target. Central to these action plans will be the implantation principles, which have also been endorsed by COAG. These are: shared decision making, place-based responses, evidence and accountability, targeted investment, and integrated systems. The AASW shares the view in the COAG statement that the previous Closing the Gap strategy perpetuated a deficit-based view of Aboriginal and Torres Strait Islander peoples instead of promoting the strength and agency within indigenous communities.

Children's Right to Culture

Currently Aboriginal and Torres Strait Islander children are 9.8 times more likely to be removed from their family than are other children. This significant injustice has profound consequences which extend beyond the trauma it causes for children and their families. It often results in breaking the connection between the child and their community, their country and their culture. It furthers the intergenerational trauma experienced by many Aboriginal and Torres Strait Islander people. Although the AASW welcomes the creation of a new closing the gap target to decrease the rate of removal, we recognise that progress will take time.

Aboriginal children should be placed with Aboriginal families. This is the central idea of the Aboriginal and Torres Strait Islander Child Placement Principle in all states and territories.

Recommendations

- Establish and resource a Voice to Parliament as described in the Uluru Statement from The Heart.
- Immediately commence work to on the action plans required under Closing the Gap Refresh, detailing how they conform with the implementation principles.
- Initiate measures through COAG to make states accountable for their achievements against the Aboriginal and Torres Strait Islander Child Placement Principle.

Mental Health

The AASW takes a human rights approach to mental health and emphasises the need for greater understanding of the intersection between poverty, family violence, lack of affordable housing and

⁹ https://closingthegaprefresh.pmc.gov.au/sites/default/files/submissions/association_of_social_workers.pdf



⁸ https://www.coag.gov.au/sites/default/files/communique/coag-statement-closing-the-gap-refresh.pdf

mental health. The evidence surrounding these social determinants of mental health is clear disadvantaged people disproportionately experience poor mental health outcomes.¹⁰

With the Productivity Commission inquiry into The Social and Economic Benefits of Improving Mental Health and the Federal Health Minister's ongoing commitment to the sector, Australia has a once-in-a-generation opportunity to transform how we understand mental health in Australia, and this must begin by broadening our appreciation of the larger contributing factors to mental health. The Productivity Commission can see the close links between housing, unemployment and mental health. The Commission's report acknowledges you can better look after people's mental health by increasing access to affordable housing and that income support is an important safety net.¹¹

The AASW welcomed the interim report on mental health by the Productivity Commission, and its emphasis on schools as places where young people's mental health concerns can be addressed early and effectively. The recommendations by the Commission to have 'wellbeing teams' in schools aligns with the Association's long-term advocacy for social workers in all schools. Social workers in schools is a well-established specialist area of social work practice and an example of the unique contribution that social work can make to the mental wellbeing of young people. We agree with the Productivity Commission's conclusion that schools are an ideal place to provide services for young people because they can be as general or as specialised as the students require.

Without a focus on the contributing factors surrounding mental health, the AASW believes Australia will continue to prop up a system that does not address many of the causes of mental health or the closely connected issues of poverty and homelessness. Therefore, we call for an urgent injection of federal funding into homelessness, plus social and public housing programs. We also call for an immediate increase in income support payments, such as the Newstart Allowance and Carers Allowance, and an overhaul of punitive programs such as involuntary income management, which would go some way to alleviating the mental health burden on recipients.

In addition to this, greater investment in evidence-based mental health programs is needed and a national long-term agreement to end funding uncertainty in the sector, particularly when it comes to the contract commissioning process for Primary Health Networks (PHNs). As the Federal Department of Health's Primary Health Network Advisory Panel on Mental Health recommended PHNs be provided with contract certainty of five years with provisions to include a mandatory 12-month notice period if PHNs will be defunded, we echo calls for the same kind of funding certainty.¹²

To support the argument for greater investment in early intervention, we also draw your attention to the KPMG report 'Invest to Save' that was commissioned by Mental Health Australia that found significant potential savings were the payoff for greater investment in interventions. For example, the report found that the long-term return on investment for early interventions for people known to be at risk of mental illness is 'immense'. 'A \$25 million investment in early CBT interventions that reached 50,000 children would cover its cost in the short-term and deliver long-term benefits of \$230 million. Similarly, \$25 million would purchase early intervention for those diagnosed with schizophrenia each year, saving \$60 million in the short-term and \$210 million over the longer term'.¹³

¹³ <u>https://mhaustralia.org/sites/default/files/docs/investing_to_save_may_2018_-_kpmg_mental_health_australia.pdf</u>



¹⁰ <u>https://www.who.int/social_determinants/strategic-meeting/en/</u>

¹¹ <u>https://www.pc.gov.au/inquiries/current/mental-health/draft/mental-health-draft-volume1.pdf</u>

¹² <u>https://www1.health.gov.au/internet/main/publishing.nsf/Content/mental-health-advisory-panel</u>

Medicare

AASW has participated in the MBS Review of Mental Health Items and welcomes the opportunity to be a part of future reviews. There is a great need for a person-centred, holistic, evidence-based, collaborative and systemic approach to MBS-funded mental health supports. The AASW would also like to see greater recognition and use of clinical social work services across all Medicare initiatives and action to address pay parity for Accredited Mental Health Social Workers (AMHSWs), who are, inexplicably, paid less than psychologists for providing the same services. There are 2200 dedicated and highly qualified AMHSWs working in the mental health sector and the AASW will continue to advocate that they receive equitable representation under the Better Access program.

In our submission to the MBS Review of MH items, amongst several points, the AASW:

- Supports the recommendation to extend MBS Better Access clients who do not meet the full criteria for a mental health diagnosis but are at risk of developing a mental health condition
- Supports the recommendation to increase the number of sessions to up to 40 per calendar year, taking into consideration complex need, not just mental health diagnosis
- Supports the greater focus on group work and improved access to supports for family members and carers
- Supports the recommendation that the list of approved therapies be reviewed and expanded
- Supports the recommendation for inclusion of greater recognition of individual mental health support and therapy for residents in aged care facilities
- Supports the expansion of digital mental health and telehealth services.

Recommendations:

- Fund the roll out of MBS Review of Mental Health items such as increasing the number of sessions under the Better Access program to up to 40 per calendar year
- Acknowledge contributing factors to mental health such as the lack of affordable housing and inadequate income support payments by increasing investment in social and public housing plus immediate increases to income support payments
- Increased funding to PHNs including the introduction of five-year contracts to end funding uncertainty
- Development of school wellbeing teams with a minimum of one school social worker per 500 students
- Greater investment in evidence-based early invention programs for mental health.

Housing

Australia is in the midst of a housing crisis and urgently requires more affordable housing to ensure that people on middle to low incomes have access to affordable and suitable housing. This is especially pertinent for low-income earners who are significantly impacted by a lack of affordable housing across Australia and are increasingly being driven into homelessness. As Australia's own Human Rights Commission says, *adequate housing is a human right*¹⁴, nevertheless, homelessness

¹⁴ https://www.humanrights.gov.au/sites/default/files/content/pdf/human_rights/housing.pdf



has increased by 13.7% in just five years¹⁵. Policies at both federal and state levels continue to contribute to this growing social problem. Homelessness and housing insecurity have flow-on effects in many areas in which social workers are employed, including health, education, employment, mental health and family violence. Social workers work with individuals and families to locate and maintain housing; however, this is becoming increasingly difficult due to a lack of affordable housing options, which then also impacts social workers' ability to improve outcomes in other areas of people's lives.

The AASW calls on the government to implement the recommendations of the 'Everybody's Home' campaign.

Recommendations:

- Immediately increase the maximum rate of Commonwealth Rent Assistance and index it to match increases in median rent
- Work with States and Territories to increase number of social and affordable housing options
- Reforms tax breaks for investors to improve housing affordability
- Include people with a lived experience of homelessness in the design and planning of initiatives to address homelessness.

People living with disability and the NDIS

Workforce Capacity

The AASW welcomes the NDIS as a rights-based approach that supports the independence and the social and economic participation of people with a permanent impairment or condition resulting in disability. Social workers observe that participants are not always achieving their goals because of a lack of capacity in key roles in the system has been confirmed by the figures in the federal budget that the NDIS has not spent all the money that was allocated to it. This is not the result of lower levels of need, but a direct indication that the system does not have the capacity to formulate and implement appropriate plans and services for participants.

The AASW notes that the government has recently released a workforce strategy: Growing the NDIS Market and Workforce. This document contains few new measures beyond publishing data on the workforce. It does not address the underlying issues that contribute to creating and maintaining a workforce of qualified, and skilled people. This need is particularly acute in with respect to the key areas of need amongst vulnerable groups: people whose first language is not English, people in remote locations and Aboriginal and Torres Strait Islander people.

Interface with Other Sectors

Social workers have observed many instances where services have been withdrawn by non NDIS providers in the mistaken assumption that the NDIS would supply them. This has been particularly concerning in domains where there are definitional issues. When organisations received block funding it was possible for professionals to exercise refined judgements about the most appropriate type of



¹⁵ https://www.homelessnessaustralia.org.au/about/homelessness-statistics

service for that person, based on an assessment of their needs. Skilled and experienced case managers often combined programs into a co-ordinated 'wrap-around' response. By contrast, under the NDIS a participant has one opportunity to apply for a funding package, and if found to be ineligible, they have limited opportunities for appeal. This has widened the gap between outcomes for people who are funded by the NDIS and people who aren't. The AASW calls on the government to attend to the interface between the NDIS and other sectors and to ensure that people have immediate access to the services they need.

Royal Commission into Violence, Abuse, Neglect and Exploitation of people with Disability

The AASW welcomes the announcement of this Royal Commission and the allocation of a budget for it. As an opportunity for people who live with a disability and their carers to tell their story, it will illuminate the weaknesses of the previous and current care systems and provide important guidance on system reform.

Recommendation

- Commit to a national strategy to address long term workforce capacity issues in the NDIS.
- Address the system interface issues between the NDIS and other sectors such as health, mental health system, drug and alcohol services and supported housing.
- Commit to implementing the recommendations of the Royal Commission into Violence, Neglect and Abuse of People in the Disability Care Sector.

Family Violence

Family violence is a gendered crime: it is most commonly perpetrated by men, against women, it also deeply affects children. The causes of family violence are complex and include factors that operate at the individual level as well as across the whole of society. Factors such as community attitudes towards women and gender inequality are experienced across all aspects of a woman's life, even if she is not directly subjected to violence against herself. Governments can address gender inequality by adequately funding primary, secondary and tertiary programs across a range of settings so that the work of preventing violence against women and supporting women who have experienced family violence is integrated into all levels of society.

A comprehensive guide to the reforms that are needed across the service system is contained in the recommendations of the Victorian Royal Commission into Family Violence.

Recommendations

- Commit to implementing the recommendations of the Senate report on: "A Better Family Law System to Support and Protect Those Affected By Family Violence", and the Australian Law Reform Commission's First Comprehensive Review of the Family Law Act.
- Commit to using the recommendations of the Victorian Royal Commission into Family Violence as a blueprint for national systemic reforms.
- Provide long term and secure funding for the Family Violence Prevention Legal Services (FVPLS)



Aged Care

Having submitted to multiple inquiries into aged care during 2018 and 2019, the AASW welcomes the Royal Commission into Aged Care Quality and Safety. Early indications are that the ratios of staff in residential aged care will be the key to improving the quality of care¹⁶. Therefore, the AASW anticipates that implementing the recommendations will require a significant budgetary commitment which should be factored into the government's planning.

Recommendation:

• Provide an undertaking that it will implement all recommendations of the Royal Commission into Aged Care Quality and Safety.

Conclusion

The AASW strongly believes that the wellbeing of all Australians needs to be the primary consideration of any budget. Currently, there are many vulnerable people whose quality of life will be affected by measures that are within the control of this government. The AASW calls on the government to make provision for these measures and looks forward to working with the government to implement them.

Submitted by and on behalf of the Australian Association of Social Workers Pty Ltd

¹⁶ https://www.theguardian.com/australia-news/2019/jan/18/aged-care-royal-commission-begins-with-emphasis-on-rising-torrent-of-concern





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