



**MISSION  
AUSTRALIA**

**Pre-budget  
Submission**  
2020-21

## About Mission Australia

Mission Australia is a national, non-denominational Christian charity that has been helping vulnerable people move towards independence for more than 160 years. In the 2018-19 financial year, we supported over 160,000 individuals through 519 programs and services across Australia.<sup>1</sup>

We work with families and children, young people and people experiencing homelessness and provide specialist services for those living with mental illness, disability and alcohol and drug issues.

## Summary of the year 2018-19:

### Homelessness & housing

**34,279** 

people assisted through 63 services

### Families, children & early learning

**34,843** 

people assisted through 109 services

### Youth

**4,985** 

people assisted through 21 services

### Strengthening communities

**18,088** 

people assisted through 28 services

### Employment & skills

**18,011** 

people assisted through 153 services

### Alcohol & other drugs

**6,066** 

people assisted through 27 services

### Mental health

**6,503** 

people assisted through 46 services

### Disability

**18,652** 

people assisted through 20 services

### Other services<sup>1</sup>

**20,168** 

people assisted through 52 services

## Overview

Mission Australia's pre-budget submission focuses on the need for significant progress on homelessness and affordable housing, income support, employment, youth transitions, supporting people with mental illness and strengthening communities as set out below.

<sup>1</sup> Mission Australia, Annual Report, 2019, accessible at:

<https://www.missionaustralia.com.au/publications/annual-reports/annual-report-2019/1320-annual-report-2019/file>

## Homelessness and Affordable Housing

### Key recommendations

- Adopt the following measures to address housing and homelessness
  - Invest in 500,000 new social and affordable homes by 2030 – this includes 300,000 new social and Aboriginal housing properties; and a new incentive or subsidy to leverage super fund and other private sector investment in 200,000 low cost rental properties.
  - Enable immediate relief to people in housing stress by increasing national living wages, indexing income support and providing extra income through rent assistance.
  - Commit to ending homelessness by 2030 by taking action to prevent homelessness. This includes delivering rapid access to the housing and support people need if they lose their home, including addressing drivers of homelessness such as domestic and family violence. It also requires rapidly rehousing people who are homeless, supporting them to maintain that housing and addressing the over-representation of Aboriginal and Torres Strait Islander people in the homelessness system.
  - Develop an adequately resourced national homelessness strategy in consultation with people with lived experience, the community and private sector as well as all levels of government.
  - Fund specific primary prevention strategies that aim to prevent domestic and family violence from occurring in the first place by addressing the underlying drivers of violence in order to prevent both violence and any resulting homelessness.
  - Fund new housing stock in Aboriginal and Torres Strait Islander communities to address overcrowding. This should be delivered through Aboriginal Community Housing Organisations and designed in close consultation with the local Aboriginal community.

### Issues to be addressed

#### Homelessness rates are unacceptable

- Census data from 2016 shows that 116,427 people were homeless, while a further 88,877 people were living in marginal housing and at possible risk of homelessness.<sup>2</sup>

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<sup>2</sup> Australian Bureau of Statistics, 2049.0 - *Census of Population and Housing: Estimating homelessness, 2016*, Canberra: Australian Bureau of Statistics, 2018, accessible at: <http://www.abs.gov.au/ausstats/abs@.nsf/mf/2049.0>

- Most of the increase in homelessness between 2011 and 2016 was reflected in persons living in 'severely' crowded dwellings, up from 41,370 in 2011 to 51,088 in 2016.<sup>3</sup>
- In 2018–19, around 290,300 clients sought assistance from Specialist Homelessness Services (SHS) agencies.<sup>4</sup>
- Aboriginal and Torres Strait Islander SHS client numbers increased by an average of 7% each year since 2011–12 to around 68,900 in 2018–19.<sup>5</sup>
- In 2018–19, on average, there were 253 unassisted requests per day at SHS agencies; a total of 92,300 unassisted requests for 2018–19, 6,200 - more than in 2017–18 (86,100).<sup>6</sup>

### Domestic and family violence is a major driver of homelessness

- In 2018–19, 116,400 SHS clients had experienced family and domestic violence, equating to 40% of all clients.<sup>7</sup>
- Females made up the majority (90%) of adult (aged 18 years and over) SHS clients having experienced family and domestic violence.<sup>8</sup>
- Half (50%) of all younger SHS clients (aged under 18) had experienced family and domestic violence.<sup>9</sup>
- An estimated 17% of women (1.6 million) and 6.1% of men (547,600) have experienced at least one incidence of violence by a partner since they were 15 years old.<sup>10</sup>
- Further, 75% (1.6 million) of victims of domestic and family violence reported the perpetrator as male, compared with 25% (0.5 million) reporting the perpetrator as female.<sup>11</sup>

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<sup>3</sup> Ibid

<sup>4</sup> Australian Institute of Health and Welfare, Socialist Housing Services Annual Report 2018-19, December 2019, accessible at: <https://www.aihw.gov.au/reports/homelessness-services/shs-annual-report-18-19/contents/clients-services-and-outcomes>

<sup>5</sup> Australian Institute of Health and Welfare, Socialist Housing Services Annual Report 2018-19, December 2019, accessible at: <https://www.aihw.gov.au/reports/homelessness-services/shs-annual-report-18-19/contents/client-groups-of-interest/indigenous-clients>

<sup>6</sup> Australian Institute of Health and Welfare, Socialist Housing Services Annual Report 2018-19, December 2019, accessible at: <https://www.aihw.gov.au/reports/homelessness-services/shs-annual-report-18-19/contents/unmet-demand-for-specialist-homelessness-services>

<sup>7</sup> Australian Institute of Health and Welfare, Socialist Housing Services Annual Report 2018-19, December 2019, accessible at: <https://www.aihw.gov.au/reports/homelessness-services/shs-annual-report-18-19/contents/client-groups-of-interest/clients-who-have-experienced-family-and-domestic-violence>

<sup>8</sup> Australian Institute of Health and Welfare, Socialist Housing Services Annual Report 2018-19, December 2019, accessible at: <https://www.aihw.gov.au/reports/homelessness-services/shs-annual-report-18-19/contents/client-groups-of-interest/clients-who-have-experienced-family-and-domestic-violence>

<sup>9</sup> Australian Institute of Health and Welfare, Socialist Housing Services Annual Report 2018-19, December 2019, accessible at: <https://www.aihw.gov.au/reports/homelessness-services/shs-annual-report-18-19/contents/client-groups-of-interest/clients-who-have-experienced-family-and-domestic-violence>

<sup>10</sup> Australian Institute of Health and Welfare (2018), Family, domestic and sexual violence in Australia, 2018, Canberra: AIHW.

<sup>11</sup> Australian Bureau of Statistics (2017), *Personal safety, Australia, 2016*, cat. no. 4906.0, Canberra: ABS, accessed at <http://www.abs.gov.au/ausstats/abs@.nsf/mf/4906.0>

## There is a chronic shortage of housing for people on low and moderate incomes

- According to the Australian Bureau of Statistics (ABS), 44.2% of low income households live in rental stress (pay more than 30% of their income on housing-related costs) which puts them at risk of becoming homeless.<sup>12</sup> This 44.2% represents nearly 900,000 households.
- The proportion of low income households in housing stress increased from 35% in 2007-08 to 44% in 2015-16.<sup>13</sup>
- The National Housing Supply Council calculated that 60% of people who are on low incomes who rent are in housing stress and therefore at risk of homelessness.<sup>14</sup>
- 1.7 million Australians have dropped out of home ownership.<sup>15</sup>
- More than 3 in 4 daily unassisted requests for Specialist Homelessness Services (SHS) included a need for some type of accommodation support (76%). Most commonly, agencies were unable to offer requests for accommodation because there was no accommodation available at the time.<sup>16</sup>
- According to the Rental Affordability Index, the situation for the single person on Newstart is untenable, with a person of this household type needing to pay over 77% of his/her income on rent to live in any capital city area.<sup>17</sup>
- The same report also found that older single pensioners living in metropolitan areas (which is where one bedroom dwellings are generally available) would require 50% or more of the pensioner's income to be spent on rent.<sup>18</sup>

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<sup>12</sup> Australian Bureau of Statistics, 4130.0 Housing Occupancy and Costs, 2015-16– Table 22.1, accessible at: <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4130.02015-16?OpenDocument>

<sup>13</sup> Productivity Commission, *Report on Government Services*, Table GA.2, 2018, accessible at: <https://www.pc.gov.au/research/ongoing/report-on-government-services/2018/housing-and-homelessness/rogs-2018-partg-sectorg-attachment.pdf>

<sup>14</sup> National Housing Supply Council, *Housing Supply and Affordability Key Indicators*, 2012, NHSC, Canberra.

<sup>15</sup> G. Wood, S. Smith, R. Ong, M. and Cigdem, *The edges of home ownership*, AHURI Final Report No. 216, Australian Housing and Urban Research Institute, 2016.

<sup>16</sup> Australian Institute of Health and Welfare, *Socialist Housing Services Annual Report 2018-19*, December 2019, accessible at: <https://www.aihw.gov.au/reports/homelessness-services/shs-annual-report-18-19/contents/unmet-demand-for-specialist-homelessness-services>

<sup>17</sup> National Shelter, et al, *Rental Affordability Index*, November 2019, accessible at: [https://www.sgsep.com.au/assets/main/Projects/SGS-Economics-and-Planning\\_RAI-November-2019.pdf](https://www.sgsep.com.au/assets/main/Projects/SGS-Economics-and-Planning_RAI-November-2019.pdf)

<sup>18</sup> National Shelter, et al, *Rental Affordability Index*, November 2019, accessible at: [https://www.sgsep.com.au/assets/main/Projects/SGS-Economics-and-Planning\\_RAI-November-2019.pdf](https://www.sgsep.com.au/assets/main/Projects/SGS-Economics-and-Planning_RAI-November-2019.pdf)

## Housing needs of Aboriginal and Torres Strait Islander communities require specific/targeted responses

- Aboriginal and Torres Strait Islander peoples made up 3% of the Australian population in 2016. However, Aboriginal and Torres Strait Islander peoples accounted for 20% (23,437 persons) of all persons who were homeless on Census night in 2016.<sup>19</sup>
- The ABS also states that the estimate of Aboriginal and Torres Strait Islander persons who were homeless on Census night is likely to be an underestimate.
- Of those who were classified as homeless, 70% were living in 'severely' over-crowded dwellings, 12% were in supported homeless accommodation and 9% were in improvised dwellings, tents or sleeping out.<sup>20</sup>

## Housing underpins economic growth

- Housing is vital national infrastructure. A well operating housing market is a pre-requisite for productivity and social cohesion.
- A workforce living in stable and affordable housing creates a pool of people who are able to save for retirement and invest in the future, including education for their children.
- Stable and long-term affordable housing can also alleviate overall pressure on other services such as health and justice systems.
- Housing construction and maintenance also boosts productivity through more jobs.

## The Government needs to harness private and institutional investment

- The National Housing Finance and Investment Corporation (NHFIC) through the Affordable Housing Bond Aggregator and National Housing Infrastructure Facility will make a useful contribution in making concessional funding available for Community Housing Providers. However, without significant funding, this initiative is insufficient to generate the investment in social and affordable housing required to address the current critical shortfall. There is appetite from private and institutional investors including superannuation funds to invest in below-market residential property in Australia but they require the right incentives to meet the current yield gap.

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<sup>19</sup> Australian Bureau of Statistics, Population and Housing, 2049.0 - Census of Population and Housing: Estimating homelessness, 2016, March 2018, accessible at: <http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/2049.0Main%20Features12016?opendocument&tabname=Summary&prodno=2049.0&issue=2016&num=&view=>

<sup>20</sup> Australian Bureau of Statistics, Population and Housing, 2049.0 - Census of Population and Housing: Estimating homelessness, 2016, March 2018, accessible at: <http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/2049.0Main%20Features12016?opendocument&tabname=Summary&prodno=2049.0&issue=2016&num=&view=>

- In the UK and US, a variety of mechanisms have been proven to facilitate institutional investment in below-market rental properties. These include: bonds, tax credits, guarantees, direct subsidies, release of government-owned land at a discount, and no or low interest loans.
- A Housing Aggregator could enable private institutional investors to create a portfolio of low-risk investments in affordable rental housing. It would complement NHFIC's existing debt finance aggregation with an investment tranche based on a future funding mechanism, bring transactional efficiency and scale to capital investment in housing, and confront documented market failure in Australia by expanding affordable rental housing supply, which is essential to ending homelessness and increasing productivity.

## Income Support and Employment

### Key recommendations

- Newstart Allowance, Youth Allowance and other similar allowances should be significantly increased and indexed to the growth of wages and cost of living.
- Commonwealth Rent Assistance should also be increased by 30%.
- The adequacy of income support payments for older people who do not own their own home should also be reviewed to reduce risks of homelessness.
- Employment services for people experiencing disadvantage should be person centred, flexible, holistic and focus on long-term sustainable employment outcomes rather than the current compliance focus which is detrimental to both job seekers and businesses.
- The Commonwealth should lead cross-sector collaboration and work with the States and Territories to achieve a seamless national employment strategy and strengthen existing supports for disadvantaged job seekers.
- Any taxation changes in this Budget must not further disadvantage the most vulnerable and those on low incomes.
- Tax reforms must ensure sufficient revenue to provide adequate levels of income support, affordable housing, essential services and welfare programs to assist the most disadvantaged and those in entrenched poverty.

### Issues to be addressed

#### Current income support payment levels are inadequate

- Income support is one of the most important and effective ways of preventing poverty and reducing homelessness across Australia.

- The recent Poverty in Australia report reveals that 3.05 million people (13.2% of the population - more than one in eight) are estimated to live below the poverty line, after taking account of their housing costs.<sup>21</sup> Of these, 739,000 children under the age of 15 (17.3% of all children - more than one in six) and 410,000 youth between the ages of 15 and 24 (13.9%) live below the poverty line.
- Of the 3.05 million, 53% of people below the poverty line are in households that rely on social security as their main source of income, while 38% rely on wages as their main income.
- The recently released Inequality in Australia report found that most (60%) of the lowest 20% are in households that rely mainly on social security for their income.<sup>22</sup> People who are unemployed constituted the highest proportion (77%) of individuals in the lowest 20% of households.<sup>23</sup>
- It is widely accepted that the current Newstart Allowance and Youth Allowance payments are too low and are acting as an impediment to people looking for work.
- Since 1994, the Newstart payment has not increased in real terms, despite the cost of essentials rising dramatically. It is estimated that the cost of basic essentials such as private rent, electricity, food, transport, and clothing has risen and is a minimum of \$433 per week for a single unemployed person.<sup>24</sup>
- The current basic rate of Newstart payment for a single person without dependent children is \$279.50 a week.<sup>25</sup> The maximum CRA payment for a single person is \$92.00 per week.<sup>26</sup>
- Over 800,000 people, including parents, carers, people with disability, other people unable to find paid work and students are struggling daily to afford basic essentials such as rent and food.<sup>27</sup>
- The long-term costs of income support payments can be reduced by upfront investment in meeting the needs of people to support their economic participation. This includes early

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<sup>21</sup> P. Davidson, P. Saunders, B. Bradbury, and M. Wong, *Poverty in Australia 2018*, ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS, 2018, p.15, accessible at: [https://www.acoss.org.au/wp-content/uploads/2018/10/ACOSS\\_Poverty-in-Australia-Report\\_Web-Final.pdf](https://www.acoss.org.au/wp-content/uploads/2018/10/ACOSS_Poverty-in-Australia-Report_Web-Final.pdf)

<sup>22</sup> ACOSS and UNSW, *Supplementary report to Inequality in Australia 2018*, August 2018, p. 3.

<sup>23</sup> Ibid

<sup>24</sup> P. Saunders, & M. Bedford, *New Minimum Income for Healthy Living Budget Standards for Low-Paid and Unemployed Australians*, (SPRC Report 11/17), Sydney: Social Policy Research Centre, UNSW Sydney, p.100, accessible at: <http://unsworks.unsw.edu.au/fapi/datastream/unsworks:46140/binc76de784-a739-416b-9361-6ebb285882ea?view=true>

<sup>25</sup> Department of Human Services, *A guide to Australian Government Payments: 20 September to 31 December 2019*, p.28, accessible at: <https://www.humanservices.gov.au/sites/default/files/co029-1909-rates.pdf>

<sup>26</sup> Department of Human Services, *A guide to Australian Government Payments: 20 September to 31 December 2019*, p.39, accessible at: <https://www.humanservices.gov.au/sites/default/files/co029-1909-rates.pdf>

<sup>27</sup> ACOSS, *Raise the Rate*, accessible at: <https://www.acoss.org.au/raisetherate/>

intervention programs for children, youth transition programs, mental health and homelessness programs.

### Unemployment and underemployment

- According to the Australia Bureau of Statistics (ABS), in October 2019 there were 722,400 unemployed people in Australia.<sup>28</sup> As of October 2019, there were 165,800 vacancies across Australia.<sup>29</sup> This in effect means that there are approximately 4.4 unemployed people per job vacancy.
- Anglicare Australia's Jobs Availability Snapshot 2019 also identified that there were about 5.5 participants per 1 Level 5 Job (Level 5 are jobs are those requiring Certificate I, or the completion of compulsory secondary education as defined by ANZSCO classifications).<sup>30</sup>
- Another challenge in the current employment market is the underemployment of skilled and qualified individuals. ABS statistics reveal that since 2003, the rate of underemployment<sup>31</sup> has been increasing, and in October 2019 the underemployment rate was 8.5%.<sup>32</sup>
- A research report of the Australian Government shows that while the majority of Australian employers are open to hiring people with disabilities (77%), a much lower proportion (35%) demonstrate behavioural commitment to doing so.<sup>33</sup>
- The unemployment rate for Aboriginal and Torres Strait Islander people aged 15 years and over was 20.6% nationally (27.4% in remote areas compared with 19.3% in non-remote areas).<sup>34</sup> These rates are significantly higher than the average national unemployment rates.

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<sup>28</sup> Australian Bureau of Statistics, Labour Force, 6202.0 - Labour Force, Australia, October 2019, accessible at: <https://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0>

<sup>29</sup> Department of Jobs and Small Businesses, Labour Market Information Portal: Vacancy Report, accessible at: <http://lmip.gov.au/default.aspx?LMIP/VacancyReport>

<sup>30</sup> Anglicare Australia, Jobs Availability Snapshot 2019, p. 11, accessible at: <https://www.anglicare.asn.au/docs/default-source/default-document-library/jobs-availability-snapshot-2019.pdf?sfvrsn=4>

<sup>31</sup> 'Underemployment' refers to people who are working but would like to be working more hours. See further: Australian Bureau of Statistics, Labour Force, 6202.0 - Labour Force, Australia, October 2019, accessible at: <http://www.abs.gov.au/ausstats/abs@.nsf/lookup/6202.0Media%20Release1Feb%202018>

<sup>32</sup> Australian Bureau of Statistics, Labour Force, 6202.0 - Labour Force, Australia, October 2019, accessible at: <https://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0>

<sup>33</sup> Jane Prentice, Assistant Minister for Social Services and Disability Services, Media release: Businesses are missing out, 27 July 2018, accessible at: <https://ministers.dss.gov.au/media-releases/3471>

<sup>34</sup> Australian Bureau of Statistics, 4714.0 - National Aboriginal and Torres Strait Islander Social Survey, 2014-15, released April 2016, accessible at: <http://www.abs.gov.au/ausstats/abs@.nsf/mf/4714.0>

### The current employment and compliance system needs to change<sup>35</sup>

- The increase in casual and insecure work environments adds further burden on both participants and employment services<sup>36</sup> as the current employment services framework is geared towards incentivising people to obtain and maintain a full-time job.
- The mutual obligations placed on people receiving income support payments are intended as an incentive, but are an additional burden that can result in people withdrawing from government services and being forced into homelessness.
- Pre-employment programs such as ParentsNext should be exempt from strict mutual obligations as they are designed to prepare individuals for employment. The imposition of a punitive and stringent compliance framework to these programs potentially risks the programs' goals of building participants' skills and confidence in overcoming barriers through alienating and demotivating participants.

## Youth transitions to employment

### Key Recommendations

- Investment in youth employment programs should be targeted to disadvantaged young job seekers and to those programs demonstrated to be effective in assisting young people transition from education to training and employment.
- The principles underlying these programs should incorporate a holistic, strengths-based approach and where necessary, have the flexibility to work with young people's families. Such programs should include careers advice, mentoring, skills training, assistance to re-engage with education and work experience as well as working on underlying issues that present as barriers to employment.
- Flexible learning options need to be available to ensure young people are supported to finish their education in different settings – this requires either direct funding from the Commonwealth or a change to the way education is funded between the Commonwealth and State and Territory Governments, to give States/Territories an incentive for the education funding to be portable to move with the young person.
- Vocational education and training should be a national priority, with greater incentives for apprenticeships and additional supports provided to young people experiencing disadvantage.

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<sup>35</sup> See further: Mission Australia, The Next Generation of Employment Services submission, 2018, accessible at: <https://www.missionaustralia.com.au/publications/submissions-and-reports/employment-skills-and-training/787-the-next-generation-of-employment-services/file>

<sup>36</sup> Anglicare Australia, Jobs Availability Snapshot 2019, p. 14, accessible at: <https://www.anglicare.asn.au/docs/default-source/default-document-library/jobs-availability-snapshot-2019.pdf?sfvrsn=4>

## Issues to be addressed

### Youth unemployment remains unacceptably high

- The youth unemployment rate in October 2019, at 12.0%, was three times as high as the 3.9% unemployment rate for those aged 25 and over. This represents more than 265,000 young Australians.<sup>37</sup>
- Nearly one in five unemployed 15 to 24 year olds today have been out of work for 52 weeks or more. This represents an estimated 46,990 people aged 15 to 24.<sup>38</sup>
- *The New Work Reality* report found that despite higher levels of education attainment (with nearly 60% of 25 year-olds holding a higher level of education than secondary school), entering fulltime work is proving a significant challenge for many young people.<sup>39</sup>

### Youth Survey Results and Barriers to Post-school Plans

- Mission Australia's 2019 Youth Survey asked young people what they were planning to do after school and going to university was the most frequent option chosen by young people (64.8%). Many respondents planned to get a job (33.6%) while 11.7% planned to go to TAFE or college and 11.3% planned to get an apprenticeship.<sup>40</sup> This demonstrates that young people are focused on gaining employment or investing time in career pathways and need to be provided with the right opportunities and supports at the earliest possible point in time.
- For the first time in 2019, respondents were asked to indicate if there were any barriers which may impact on them achieving their study/work goals. Nearly half (48.9%) of respondents indicated that they felt there were barriers and greater proportions of females than males cited the presence of barriers (54.5% compared with 40.5%).
- *Academic ability, mental health and financial difficulty* were the three most commonly cited barriers to achieving their study/work goals (20.2%, 16.6% and 12.4% respectively).

### Youth Transitions Programs are not reaching the most vulnerable

- There remains a significant service gap for the majority of Stream C job seekers, who are ineligible for the Transition to Work program. These are the most disadvantaged young people in our community who have tremendous potential with the right supports to join the workforce and make a productive contribution.

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<sup>37</sup> Brotherhood of St Laurence (2019) Prosperity's children youth unemployment in Australia, December 2019, [http://library.bsl.org.au/jspui/bitstream/1/11694/1/BSL\\_Prospertitys\\_children\\_youth\\_unemployment\\_Dec2019.pdf](http://library.bsl.org.au/jspui/bitstream/1/11694/1/BSL_Prospertitys_children_youth_unemployment_Dec2019.pdf)

<sup>38</sup> Brotherhood of St Laurence (2019) Prosperity's children youth unemployment in Australia, December 2019, [http://library.bsl.org.au/jspui/bitstream/1/11694/1/BSL\\_Prospertitys\\_children\\_youth\\_unemployment\\_Dec2019.pdf](http://library.bsl.org.au/jspui/bitstream/1/11694/1/BSL_Prospertitys_children_youth_unemployment_Dec2019.pdf)

<sup>39</sup> Foundation for Young Australians, *The New Work Reality*, 2018, p. 8

<sup>40</sup> Mission Australia, 2019 Youth Survey Report, November 2019, accessible at: <https://www.missionaustralia.com.au/publications/research/young-people>

- Early intervention and pre-employment programs are useful in seamlessly transitioning people from education to employment.

### Education and Training

- High quality vocational education can provide a positive alternative for young people at risk of disengaging from education.
- Expanded apprenticeships and trainee programs should reflect growth industries like aged care and child care as well as traditional trades.
- Young people need foundational skills including literacy and numeracy and programs such as Skills for Education and Employment (SEE) provide vital supports, particularly for young migrants.

## Supporting people experiencing mental illness

### Key recommendations

- Community based mental health services should be expanded, with a particular focus on meeting the needs of people with psychosocial disability who are unable to access the National Disability Insurance Scheme (NDIS).
- Peer support programs should be invested in for mental health support, particularly in rural communities.
- Greater efforts are required to divert people experiencing mental illness from coming into contact with the justice system and from experiencing homelessness.
- Mental health services should be co-designed with people with lived experience and carers and be based on evidence and research.
- Funding for Family Mental Health Support Services (FMHSS) should be continued and expanded in order to provide requisite supports to children, young people and their families.

### Issues to be addressed

- There is growing concern about the transition rates of Commonwealth community mental health program clients into the NDIS, as they are lower than expected.<sup>41</sup> For instance, according to the *Commonwealth Mental Health Programs Monitoring Project*, even by 2019,

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<sup>41</sup> National Mental Health Commission, Monitoring mental health and suicide prevention reform: National Report 2019, accessible at:

<http://www.mentalhealthcommission.gov.au/media/270709/National%20Report%202019.pdf>

around one fifth of people had not commenced gathering evidence required or did not intend to test their eligibility for the NDIS.<sup>42</sup>

- In many sites, a number of people have been rejected due to their mental health issues not meeting the 'severe and persistent' criterion as result of not having a formal diagnosis. This is despite the fact they have accessed mental health services for a long period of time.
- The majority of people with mental health issues are unlikely to have accessed structured services in the past to provide evidence on their psychosocial conditions. These people are likely to have issues with providing medical evidence to support their NDIS applications.
- Some rural and remote communities rely on medical and allied health professionals who visit intermittently, who are often on short-term contracts.
- In addition to the challenges of having limited health professionals, the vast distances and scattered populations in rural and remote areas make it difficult for community organisations to deliver mental health services and retain trained and qualified staff.
- A peer support approach is able to produce positive outcomes for people experiencing mental illness as people who have similar experiences can better relate and can consequently offer more authentic empathy and validation.<sup>43</sup> Training and work as a peer worker can increase an individual's skill base, which makes them more employable and opens up other opportunities.<sup>44</sup>
- The recent Productivity Commission draft report on Mental Health identified the close nexus between experiences of homelessness and mental health. The draft report makes a series of recommendations in relation to improving housing outcomes for people with mental health issues.<sup>45</sup>
- Almost one in four young people who responded to the Youth Survey 2018 said they are experiencing mental health challenges, with young females twice as likely as males to face this issue. A higher proportion of Aboriginal and Torres Strait Islander young people also met the criteria for psychological distress than their non-Indigenous peers.<sup>46</sup>

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<sup>42</sup> N. Hancock, et al, Commonwealth Mental Health Programs Monitoring Project: Tracking transitions of people from PIR, PHaMs and D2DL into the NDIS, The University of Sydney & Community Mental Health Australia, 2019, accessible at: [https://cmha.org.au/wp-content/uploads/2019/10/CMHA-and-University-of-Sydney-NDIS-Transitions-Final-Report\\_September-2019.pdf](https://cmha.org.au/wp-content/uploads/2019/10/CMHA-and-University-of-Sydney-NDIS-Transitions-Final-Report_September-2019.pdf)

<sup>43</sup> J. Repper and T. Carter, A review of the literature on peer support in mental health services in Journal of Mental Health, August 2011; 20(4): 392–411.

<sup>44</sup> Health Workforce Australia, Mental Health Peer Workforce Literature Scan, 2014, p. 10.

<sup>45</sup> Productivity Commission (2019) Mental Health Productivity Commission Draft Report <https://www.pc.gov.au/inquiries/current/mental-health/draft>

<sup>46</sup> Mission Australia and Black Dog Institute (2019) *Can we talk? Seven year youth mental health report - 2012-2018*

## Strengthening communities

### Key recommendations

- The Commonwealth Government commits to address entrenched and locational disadvantage at the community level, over the long term, in conjunction with State/Territory and local governments and local service providers.
- Solutions need to be based on strong local participation, be flexible in adapting to changes and lessons learnt and be community owned and driven. They should be based on an understanding of the multiple and complex needs within these communities and provide an integrated service response through community partnerships.
- The Communities for Children model should be funded over the long-term and expanded as it allows Facilitating Partners to build a network and capacity in community and to enhance community strengths.
- Long-term funding cycles are required to embed a community development approach and achieve stronger outcomes for children and families. A minimum of ten years is recommended, with a possible 5 year review point to ensure the service is on track and the government is achieving value for money without a full-scale re-tender.

### Issues to be addressed

#### Persistent and entrenched disadvantage must be addressed

- Dropping Off the Edge (DOTE) 2015<sup>47</sup> identified the 3% of communities across Australia that bear the greatest burden of disadvantage and require immediate and sustained commitment from all levels of government.
- High levels of unemployment, low levels of income and education, housing stress and a high level of criminal offending are features of these communities. This limits opportunities for individuals living in these communities.
- Locational disadvantage is a complex problem requiring systems change and innovation. Interventions are required at the community level in addition to macro reforms and individual service responses. A coordinated place-based collective impact approach is required.
- A place-based model that co-ordinates services and targets intergenerational disadvantage requires long term funding. A minimum of ten years' commitment plus upfront funding is required to plan and engage in programs and make adjustments as necessary.

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<sup>47</sup> Jesuit Social Services and Catholic Social Services Australia (2015) *Dropping Off the Edge*2015, accessed at [www.dote.org.au](http://www.dote.org.au)

- An assets-based approach to community development uses methods such as capacity building, community building, neighbourhood renewal and asset mapping to fortify social capital.

## Aboriginal and Torres Strait Islander programs

### Key recommendations

- Aboriginal and Torres Strait Islander people should be empowered to design and lead solutions to the complex problems facing their communities including poverty, disadvantage and the lack of appropriate housing.
- Bipartisan and long-term commitment is required to provide well-resourced and community controlled services to address disadvantage and progress Closing the Gap targets. Funding for Aboriginal and Torres Strait Islander programs should be increased in order to meet Closing the Gap targets on time and sustain gains made.
- The Federal Government should address the over-representation of Aboriginal and Torres Strait Islander people in the justice system as an urgent priority. COAG should commit to a target of closing the gap in rates of imprisonment in each jurisdiction by 2040, with the necessary investment in prevention, early intervention, diversion and justice reinvestment.

### Issues to be addressed

#### Empowerment is essential

- Aboriginal and Torres Strait Islander people and communities need to be empowered to lead change so that social and economic development can occur alongside retention of identity, language and culture.
- An asset-based community development approach that recognises strengths, resources and assets of Aboriginal and Torres Strait Islander individuals, families and communities should be adopted with funding for long-term approaches that are integrated, holistic and accessible.

#### Levels of Indigenous disadvantage remain unacceptable

- While there has been some progress towards achieving the Closing the Gap goals of reducing infant mortality and narrowing the gap in year 12 attainment, the goals in relation to life expectancy, literacy and numeracy and employment outcomes remain off track.
- Aboriginal and Torres Strait Islander people are more likely to experience poverty, experience higher rates of unemployment and imprisonment and are the most economically disadvantaged and excluded members of our community on almost any measure.

## Equal Remuneration Order and Supplementation

### Key recommendations

- The Commonwealth should ensure that Equal Remuneration Order (ERO) supplementation continues; or the base rate of grants where ERO supplementation currently applies permanently increase so as to incorporate the current rate of ERO supplementation.
- Funding certainty needs to be provided so that not-for-profits including Mission Australia can employ staff and deliver our services in a way that assists individuals and communities who need it most.

### Issues to be addressed

- In 2012 the Fair Work Commission made a landmark decision that addresses the gendered undervaluation of work performed in much of the community services sector. As a result, wages increased by up to 45% over 10 years, and most governments across Australia, including the Federal Government, provided additional funding to ensure that community sector organisations could pay fair wages and maintain essential services to our communities. However, this funding is due to cease in 2021/2022.
- If this issue is not fixed it will mean hard decisions about the future of community services programs, and could result in cuts to community services.

### Conclusion

The above recommendations are designed to ensure that people experiencing disadvantage are supported to overcome their challenges. Budget priority should be given to addressing key issues of homelessness and affordable housing, employment supports for the most disadvantaged job seekers, improving the adequacy of income support, supporting people with mental illness and strengthening communities.