



Australian Government

Australian Social Inclusion Board Annual Report 2010



part of the social inclusion agenda

Information on the Australian Government's social inclusion agenda, the Australian Social Inclusion Board, and this report is available on the social inclusion website www.socialinclusion.gov.au or through the Australian Social Inclusion Board Secretariat.

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Introduction from the Chair



This is the second annual report of the Australian Social Inclusion Board. In our first report we presented benchmark measures of the extent of social inclusion in Australia. In this second report, we have examined the way in which the delivery of government programs and services might change into the future.

Significant economic and social change over the last two decades has substantially altered the nature and complexity of social problems. As a result, social problems do not sit conveniently within the responsibility of any one organisation. Old linear ways of working through policy silos are proving inadequate for tackling hard-to-solve social problems. A social inclusion approach gives us the opportunity to gain a more accurate understanding of the issues, adopt solutions that engage citizens, build community assets, and improve public service responsiveness.

Success requires many different actors from different sectors of society to be involved in a multi-faceted, coordinated response. Governments, community organisations, business and citizens need to change the way they deal with the very disadvantaged.

Across the breadth of Australian Government activity, opportunities exist to improve outcomes for the most disadvantaged Australians by:

- > developing closer, continuing and more holistic relationships with service users rather than helping them through short-term crises;

- > providing more flexible, localised services and engaging in local capacity building to enable communities to take appropriate responsibility for devising policy and delivering services;
- > focusing efforts in the most disadvantaged locations, among vulnerable children—especially in the developmentally-crucial early years—and in disadvantaged Indigenous communities;
- > continuing to improve the capacity of universal services to deal with people experiencing social exclusion; and
- > accepting that achieving results requires patience and a willingness to try multiple solutions to see which works best.

This report summarises recent advice provided to the Australian Government by the Australian Social Inclusion Board on three topics:

- > understanding and breaking cycles of disadvantage;
- > identifying barriers to social inclusion for jobless families with children; and
- > overcoming location-based disadvantage.

Building a more inclusive society will require the involvement of all parts of society and levels of government. The Australian Social Inclusion Board looks forward to working with governments, community organisations, business and citizens in 2011 to progress this agenda.

Patricia Faulkner AO
Chair of the Australian Social Inclusion Board
December, 2010

Acknowledgements

This report draws on a wide range of data and information from a variety of sources.

We are grateful to many people for their generosity of time and expertise in the development of the evidence base underpinning this report, including those who participated in the consultations and provided submissions and case studies.

Introduction

Social inclusion

In 2007 the Australian Government adopted a new approach to tackling social disadvantage: *social inclusion*. The Government's policy vision is a society in which all Australians feel valued and are able to participate fully by learning, working, engaging in their community and having a voice in decisions that affect them. (Further details of the definition, priorities and principles of social inclusion are in Appendix D.)

Despite Australia's current prosperity, around 5% of people aged 15 years and older experience multiple disadvantages that make it difficult for them to obtain skills, get a job, enjoy good health and have supportive relationships. Social inclusion policies aim to empower individuals and communities to create their future and obtain the lives of their choosing.

Social inclusion is not only good social policy, it is good economic policy. Ensuring that people have the resources, opportunities and capabilities to participate, will reduce the costs often associated with high levels of social exclusion—like preventable illnesses, under-employment and crime—and help create a more educated, skilled, productive and cohesive nation.

Progress to date

The foundations for future social inclusion policy have now been laid through the establishment of the architecture and principles that will inform policy making, and by introducing major new programs and initiatives based on social inclusion principles.

Early initiatives in the agenda include:

- > **the Australian Social Inclusion Board** (the Board), to provide advice on ways to achieve better outcomes for the most disadvantaged in our community;
- > **the Council of Australian Governments (COAG) National Partnerships** in important social policy areas;

- > the statement of the vision and objectives for the social inclusion agenda, ***A Stronger, Fairer Australia***;
- > a set of **Social Inclusion Principles** to guide individuals, businesses, community organisations, and governments towards a socially inclusive approach to their activities;
- > the ***APS Social Inclusion Policy Design and Delivery Toolkit***, to guide the Australian Public Service on policy design and delivery; and
- > ***Social Inclusion in Australia: How Australia is faring***, a comprehensive overview of social inclusion outcomes and the many factors that affect the ability of people to participate in economic and social life. In coming years this report will provide governments with a unique tool for monitoring trends in social inclusion. The next report in this series will be released in 2012.

Further details are available at www.socialinclusion.gov.au.

New directions for policy and service delivery

In early 2010 the Minister for Social Inclusion asked the Board to provide advice on the best way to tackle social exclusion in Australia in three important policy areas:

- > breaking the cycle of disadvantage;
- > addressing barriers to participation faced by jobless families with children; and
- > overcoming location-based disadvantage.

The Board responded by initiating three research projects which are now released and are discussed in the remainder of this report. While they explore diverse issues and make separate explicit recommendations the reports contain common themes which the Board believes are central in redesigning relevant public policy along social inclusion lines.

In particular, the three reports provide valuable insights into how the previously published Social Inclusion Principles (see Appendix D) can be applied in practice.

The reports flesh out crucial policy-related questions:

- > what does it mean to use locational approaches and how should we start?
- > what practical steps are needed to create joined-up services?
- > what are the most important individual and community strengths to focus on?

The answers to these and other questions provide important insights into how the Australian Government and the Australian Public Service can change the way they operate to tackle social exclusion. The Board highlights three overarching principles to guide practical policy making in the immediate and longer term:

1. **The way you treat people matters.** It is not enough to focus on *what* support is provided, but also *how* it is provided.
2. **Continuity of support is essential.** Episodic care based around discrete crises with a withdrawal of services in between is an inefficient and ineffective way to address entrenched disadvantage.
3. **A focus on structural barriers must be maintained.** Many pathways into disadvantage reflect broader structural factors: the housing market; labor force conditions; the availability of transport and infrastructure; the cost and distribution of caring responsibilities. Reforms to service provision must be coupled with a focus on the broader issues.

These three practical principles form a framework to inform service delivery reforms in relevant areas across the Australian Government. Implementing these principles will require cultural change and skills development across the public service, as well as policy reforms.

While tackling social exclusion may in places require additional investment, simply throwing money at the problem will not suffice; fresh policy approaches are needed. The findings of the Board's research in 2010 provide guidance for how these approaches can be implemented.

A monitoring and reporting framework for social inclusion in Australia

Social inclusion policy is evidence-based and measuring progress is crucial.

In January 2010, the Board released its baseline report, *Social Inclusion in Australia: How Australia is faring*. The report provides a comprehensive overview of social inclusion outcomes and the many factors that affect the ability of people to participate in economic and social life. In coming years it will provide governments with a unique tool for monitoring trends in social inclusion and the factors that determine how people and families are faring. The next edition in this series will be released in 2012.

How Australia is faring presented data on each of the headline and supplementary indicators in the Social Inclusion Measurement and Reporting Framework (the Framework). Headline indicators are the high level, longer-term indicators of outcomes of social inclusion. They are considered to be the most important outcomes to analyse trends over time to show whether there has been progress toward achieving social inclusion objectives. The headline indicators are supported by a set of supplementary indicators.

A significant amount of data for *How Australia is faring* was drawn from the Australian Bureau of Statistics (ABS) 2006 General Social Survey and the next report will provide updated data from the 2010 General Social Survey and other sources. Many indicators will be measured over the four-year period from 2006 to 2010. For most of the indicators, the Board is interested in comparing how well different groups in society are doing and in contributing to closing the performance gap.

Some of the headline indicators of social inclusion change very slowly, while others change relatively quickly. For instance, employment, unemployment and participation rates changed quickly as a result of the global financial crisis (GFC). In the recovery from the GFC we will examine the different impacts on the community to identify which groups have been impacted more adversely than others.

Given the Board's strong interest in children in jobless families and in improving the life chances of children at risk of long-term disadvantage, this report provides an update to the children in jobless families indicator and looks in more detail at differences by age of the youngest child in the family (page 22).

In future, the Framework will be expanded to include strategic change indicators which show areas of government policy intervention that are expected to influence the headline indicators. These could be risk factors for social exclusion, outcomes, or outputs of government programs aimed at addressing social exclusion. All of the indicators will have a clearly desirable direction of change and so will be able to show whether progress is being made.

Over 2010, Australian Government agencies with key responsibility for social inclusion have developed strategic change indicators relevant to their agency. Departments will commence reporting on progress against these indicators in their departmental annual reports commencing in October 2011.



Understanding and breaking cycles of disadvantage



Understanding and breaking cycles of disadvantage

Key points

- > *many Australians find it hard to break free from cycles of disadvantage*
 - > *policy must tackle underlying causes rather than just help people through short-term crises*
 - > *early childhood development policies must be a particular focus*
 - > *youth policy should focus on building relationships with trusted adults and service providers*
 - > *policy for disadvantaged adults should seek to develop personal resilience*
 - > *changes are needed to service delivery culture and the management of third sector providers*
-

What is a cycle of disadvantage?

While Australia has an inclusive society by international standards, too many Australians are still prevented from achieving prosperity and fulfilment because they are not participating in the mainstream of the economy and the community. Many are caught in a cycle of disadvantage from which they can find it difficult to break free. This cycle can result from patterns of disadvantage established in childhood and adolescence reverberating into adulthood. For instance, socioeconomic disadvantage, neglect and abuse in childhood can lead to behavioural and mental health issues in adolescence, which can lead to early school leaving and poor educational attainment. Events in adulthood, such as losing a job or the onset of a severe mental illness, can trigger cycles of disadvantage for people who have not previously experienced disadvantage.

Children growing up in disadvantaged households are a particular concern for policy makers, because poverty can rob them of the chance to develop the good health, social skills and learning abilities they need to flourish in the contemporary world.

Data from the 2009 Australian Early Development Index, presents a telling picture. The index traces the development of children in their first year of school across five

domains (physical health and wellbeing, social competence, emotional maturity, language and cognitive skills, and communication skills and general knowledge). Of all Australian children, 12% were found to be developmentally vulnerable in two or more domains, compared to 17.5% of children from the most disadvantaged communities. Higher proportions of Australian Indigenous children (29%) and children who spoke languages other than English at home and who are not proficient in English (58%) were classified as developmentally vulnerable on two or more domains compared to other Australian children.

Narrowing these developmental gaps and breaking the cycles of disadvantage will produce better social and economic outcomes both for individuals and the nation.

Principles for breaking cycles of disadvantage

To provide a basis for new policy directions that will help Australia break the cycles of disadvantage, the Board has undertaken a major study, the findings of which are derived from public submissions, stakeholder consultation workshops, desktop research and original qualitative research by TNS Social Research consultancy.

This study showed that, in the very broadest terms, breaking cycles of disadvantage requires a long-term approach that seeks to address the underlying causes of social exclusion in early childhood, youth and adulthood. It is the Board's strong belief that a short-term approach that churns adults through repeated bouts of crisis services is futile and inefficient.

The Board identified three key principles upon which better policy should be based:

1. **The way you treat people matters.** It is not enough to focus on *what* support is provided, it matters *how* it is provided.
2. **Continuity of support is essential.** Episodic care based around discrete crises with a withdrawal of services in between is an inefficient and ineffective way to address entrenched disadvantage. Services need to focus less on requiring people to complete processes and more on developing relationships between service providers, understanding their broader needs, and treating them with dignity and respect by providing emotional as well as practical support.

The relationship between a person and service provider can be disempowering or empowering, dignified or undignified. The service provider makes significant impact on outcomes.

3. **A focus on addressing structural barriers must be maintained.** For individuals, more work is needed to implement a holistic response to disadvantage that reduces the structural barriers that cause one disadvantage to lead to others. Services should address the longer-term causes of a client's social exclusion as well as assist them at times of crisis, through, for instance, combining skills training and drug and alcohol rehabilitation with homelessness services.

Implementing these principles requires a reconsideration of the ways in which services are delivered to the most vulnerable. Services must be delivered in a holistic, whole-of-life way, over a longer period than is currently the case.

The way forward

Breaking cycles of disadvantage provides a major challenge to public policy. One policy goal is to overcome the tendency for some forms of welfare provision to disempower people and create new barriers to gaining control over their lives. Each individual and family need is different, but common principles underlie better service delivery.

A first principle is to base public policy on an understanding that the experience of disadvantage can have a significant psychological impact on people, sometimes producing a loss of confidence, shame, stigma and a lower sense of self worth. Living in crisis and high stress situations can undermine a person's ability to plan or think long-term, leaving people without a strategy for changing their circumstances. Service providers therefore need to avoid reinforcing this sense of hopelessness and powerlessness and instead inspire the levels of dignity, self-confidence and higher aspirations that can be life changing. Strengthening relationships is crucial.

The Board's research has found that people who overcome a cycle of disadvantage invariably have a meaningful relationship with at least one other person who demonstrated concern and a belief in their abilities, and were able to provide emotional as well as practical support. Sometimes this was a family member or friend, but for the most vulnerable people it often came from professional carers.

A second principle is that practical support needs to be flexible, tailored and accessible. The trend in recent years for community welfare services to become increasingly specialised and efficient has reduced their capacity to cope with people's complex needs. Often this leads to people's most compelling needs being ignored altogether, and at times having to go from agency to agency, without getting the help they need. Sometimes, frustrated, they disengage from services altogether. One answer is to design services

that 'wrap around' the needs of individuals and families. This type of person-centred service delivery usually involves work by interdisciplinary teams with access to flexible, non-categorical funding, empowering people to shape the services they receive. Successful delivery of such services will require governments to address caseload and inflexible management deficiencies that have impeded holistic service creation in the past.

A third principle is that support needs to be provided long term. While people in crisis must not be denied assistance, dealing with them only in times of crisis and churning them repeatedly through intensive services is a short-term and ultimately inefficient solution. It places inordinate pressure on acute services, such as hospital emergency departments, child protection agencies, prisons, homeless shelters and other emergency relief. We must recognise that the pathway out of disadvantage is likely to be long and slow and involve multiple setbacks. It is the Board's view that a rethinking of service delivery to focus on longer-term outcomes for those most in need would result in less 'churn' and more cycles of disadvantage being broken. This approach will ultimately be less expensive, build trust between service users and providers, and aid the retention of valuable, trained staff.

The principles outlined above point to broad general conclusions about the best way for government policy to tackle cycles of disadvantage in the three stages of life: early childhood, youth and adulthood.

Early childhood

Policies should seek to provide young children with a safe and nurturing environment. The emphasis should be on: protecting children from abuse and neglect through better childhood protection services; developing good parenting skills through appropriate family support services; and continuing the Australian Government's progress in the area of early childhood development services. The goal is to enable children to develop the health, educational and social skills upon which they can build successful lives.

Youth

Youth policies should focus on programs that develop the capacities and confidence of disadvantaged young people by providing them with mentoring, friendships, helpful networks, and an atmosphere of trust in which they can grow in confidence and competence. To work well, youth services need to address thinking and behaviour directly, provide young people with positive relationships with a trusted adult, bring about positive transitions from school to further education, and provide continuity of support through multiple setbacks and periods of slow progress.

Adulthood

For disadvantaged adults, social inclusion policies should seek to develop personal resilience by: creating social networks; establishing strong relationships with family, friends and service providers; improving health, qualifications and skills; and creating opportunities for employment. Policy areas that should be examined include: improving people's knowledge of available public services; placing greater emphasis on counselling; providing more secure housing; ensuring health, housing and correctional programs address the whole-of-life needs of clients; and removing disincentives to employment such as those found in current public housing eligibility rules.

Better service delivery

Creating services for children, young people and adults that are capable of tackling social exclusion will require the Australian Government to revisit the way it delivers services directly and through the not-for-profit sector.

For government services, change will need to focus in particular on: service delivery culture; up-to-date training of staff; and the reorientation of services from a short-term crisis model to a long-term case-management model.

For non-government services, further thought should be given to funding and procurement arrangements and performance metrics to allow more effective models of service delivery to evolve.

Breaking cycles of disadvantage

New Parent Infant Network (Newpin) Case Study

Leanne, what difference did Newpin make for you and your children?

I had a rough childhood. I was physically and sexually abused as a child. At 14, I ran away from the orphanage. When I married and had kids, I had no family support. I was on my own and I didn't really know how to be a mum.

With three young children, I was struggling to cope. I was drinking and taking it out on my kids. It was a real wake up call when my eldest daughter, aged seven, said at a school counselling session, "Mum's only happy when I clean the house". To hear her say this broke my heart. I was doing the same things that had been done to me. This needed to change. I wanted a different life for my children.

Newpin helped me deal with my issues from my past, which has been very painful for me. Newpin gave me the tools to become a better mother. It showed me how to break the destructive cycles of abuse that get passed on from one generation to the next.

Without Newpin my girls and I wouldn't be where we are today.

My eldest daughter is the first in my family to finish Year 12. I now work at the Newpin Dads Centre as a play educator and assistant admin officer and I love it. I'm also part of Jaanimili, which supports Aboriginal staff at Burnside. I can't say enough about how Newpin has helped me. It has changed my life.

About Newpin

Child Protection Solutions for Australia's Children

Newpin has adopted a strengths-based approach to working together through friendship and a therapeutic network. Staff and members adhere to four core values: respect, support, equality and empathy. Newpin centres are places where members can feel safe to explore strengths and capacities and receive recognition of their own ability to bring about change. The Newpin model incorporates partnerships with the local community and government agencies.

Newpin is an evidence-based parenting program for vulnerable families that intervenes early in the life of a child. Parents and their preschool children attend the centres between two and four days a week for up to two years.

Research shows that after six months' involvement, 100% of parents have increased self-esteem and confidence. Evidence also demonstrates improved parent-child relationships for Newpin families.

Many parents who complete the program go on to further education or work, while their children start school with improved social, emotional and cognitive skills.



Addressing the barriers to participation for jobless families



Addressing the barriers to participation for jobless families

Key points

- > *growing up in a jobless family presents considerable obstacles to a child's development*
 - > *Australia has the fourth highest proportion of jobless families with children in the OECD*
 - > *The vast majority of jobless families in Australia are headed by single mothers*
 - > *single-parent families with very young children can be among the most vulnerable to social exclusion*
 - > *Job Services Australia (JSA) and Disability Employment Services (DES) need to be complemented with new, more holistic and family-oriented services*
 - > *to overcome barriers, employment services should be*
 - : better targeted towards assisting jobseekers to obtain sustainable jobs*
 - : customised to individual needs, and*
 - : accessible, taking into account the childcare and transport needs of parents*
 - > *red tape, duplication and emphasis on process need to be reduced*
 - > *more action is needed to address financial barriers to participation, such as high effective marginal tax rates (EMTRs)*
-

The challenge of jobless families

The best ways to break the intergenerational cycle of disadvantage are to assist parents in jobless families into employment, and to ensure that parents fulfilling the vital task of caring for children have the support they need to contribute positively to their child's development.

Children in jobless households are more likely to live in poverty and less likely to fulfil their potential than children from homes where at least one parent has a job. According to the ABS, compared with employed single-parent families, jobless single-parent families are much more likely to:

- > have children under the age of five years and/or have more than one child;
- > be headed by a parent under the age of 30;
- > have no post school qualifications and/or have year 10 or below as their highest level of school education;

- > have no access to a motor vehicle and report difficulties with transport;
- > report poor/fair health, a disability or long-term health condition;
- > report a low level of generalised trust;
- > report not being able to raise \$2,000 a week in an emergency; and
- > have no access to a computer and/or the internet at home.

While the above factors do not necessarily represent a barrier to employment in all cases, occurring concurrently (as the research indicates they often do) these elements can present formidable obstacles for jobless families.

Growing up in a jobless family can create formidable obstacles for children to overcome. Social inclusion policy aims to help them do it.

Update on Jobless Families Indicator

In June 2010, there were 580,000 children under the age of 15 years living in jobless families, which is 13.9% of children of that age.

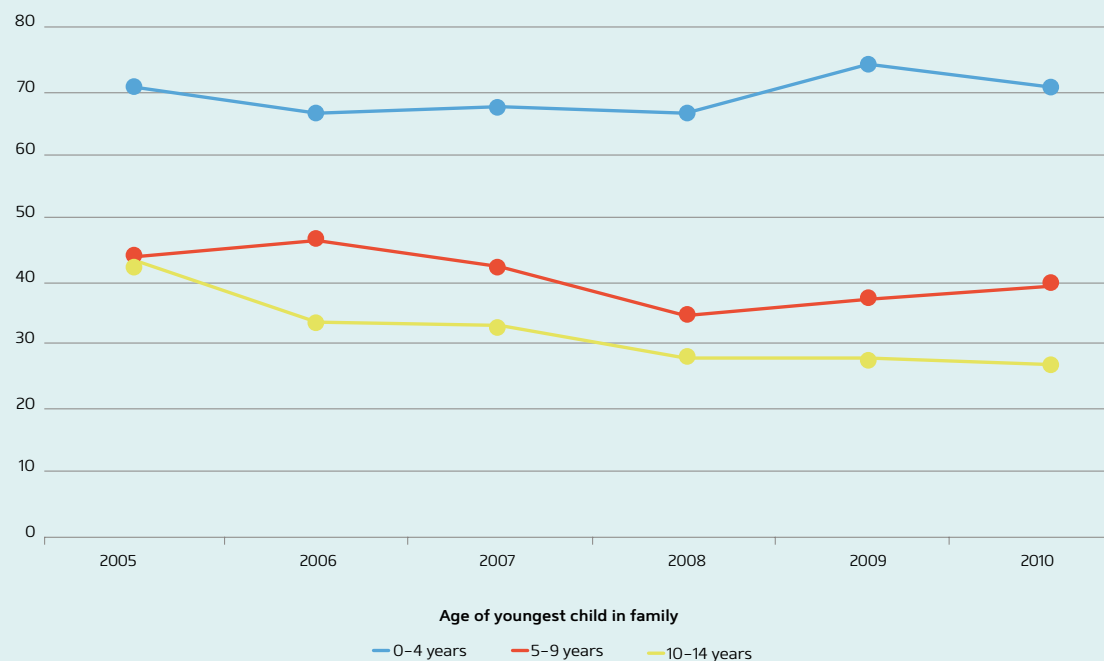
The proportion of children under 15 in jobless families has changed markedly in the past two years, reflecting the impact of the GFC. Overall, the proportion of children in jobless families fell from 14.8% in June 2005 to a low of 12.5% in June 2008, before increasing sharply to 15.1% in June 2009 (the year of greatest impact of the GFC), and recovering to 13.9% in June 2010.

The pattern of change was different for children living in couple and one-parent families. The proportion of children under 15 years in jobless one-parent families fell substantially from 54% in June 2005 to a low of 46% in June 2008, before peaking at 51% in June 2009 and then falling to 49% in June 2010. By comparison, the proportion of children under 15 years in jobless couple families remained much steadier over the period, remaining around 5-6% between June 2008 and June 2010.

The data further shows that the families most at risk of unemployment during economic downturns are those with the youngest children. While one-parent families with a youngest child aged 10-14 years experienced relatively stable joblessness levels between 2008 and 2010, joblessness increased sharply for one-parent families in which the youngest child was aged 0-4—from 66% in June 2008 to 74% in June 2009 and 71% in June 2010. Children in families with a youngest child aged 5-9 years increased from 35% in June 2008 to 37% in June 2009 and to 40% in June 2010.

These findings alert us to the greater vulnerability of one-parent families, particularly those with younger children, to sudden economic disruption and the need to increase parental resilience and service responsiveness.

Proportion of children under 15 years in jobless families by age of youngest child, June 2005 to June 2010



Source: ABS, Labor force, Australia: Labor Force Status and other characteristics of families, cat.no.6244.0.55.001, June 2010, electronic delivery.

The extent of jobless families

In June 2010, 580,000 or 13.9% of Australian children under the age of 15 were living in jobless families. In 2007, Australia had the fourth highest proportion in the OECD of children under 15 living in jobless families (14.8%), behind the United Kingdom, New Zealand and Turkey, and significantly above the OECD average of 8.7%. It is a significant issue that offers a practical opportunity for measurable increases in Australia's social wellbeing and participation.

Significantly, in June 2010, 52% of all long-term jobless families (that is, families on income support for 12 months or more) were persistently jobless for three years from 16 March 2007 to 16 March 2010. Once families were jobless for one year, about half of them remained jobless over the next two years. Over half (or 51%) of all persistently jobless families had a child under six years old.

As a result, a large proportion of Australia's next generation is growing up needing far greater support than in the past. In a country in which education, health and workforce participation will be at a premium we must provide extra support for these children. The most direct way is to assist their parents to re-enter the workforce whenever possible and whenever it is in the overall interests of the child, respecting the valuable role that non-working parents play in bringing up their children.

The barriers to employment for jobless families

The report identifies significant barriers that prevent parents finding employment. These include those internal to the family and those external to it, and can affect single mothers most acutely.

> **Internal barriers** include: mental and physical health problems, having children with serious health or behavioural problems, disability, poor literacy, inadequate English language skills and early school leaving, and experiencing discrimination, substance abuse, having

unemployed parents, family vulnerability, domestic violence, and housing instability.

- > **External barriers** include: the concentration of jobless families in areas of high unemployment; financial and non-financial disincentives to work such as high effective marginal tax rates (EMTR); the loss of health, transport and other concessions; the cost, availability and quality of child care; the cost and availability of transport to and from work; and low levels of computer skills.
- > **Single mothers** in particular may experience: the loss of workforce skills and self-confidence that can come from large periods of time out of paid employment; non-family-friendly work practices; and overt discrimination by potential employers.

These factors often combine to create complex barriers to employment. This complexity in part explains why many policy initiatives of the last decade have not fully succeeded; and why a new direction is required for tackling the problems faced by jobless families through the creation of new types of employment services. It also requires re-focussing on changes to the tax and transfer system that have been canvassed elsewhere, most notably in *The Review of Australia's Tax System* (the Henry Review).

The high proportion of jobless families headed by mothers with low levels of formal education, and with children in the developmentally-crucial early years, points to the need for policies to help single mothers and their children to: maintain and strengthen their support networks in the community; develop new skills and education; and, at the appropriate time, make the transition from welfare to sustainable full or part-time work.

Principles for reducing the number of jobless households

Change has begun through the creation of JSA and the new demand-driven DES. Despite JSA's achievements and the fact that it is more likely

than previous employment services systems to achieve positive outcomes for jobless families, it could be further improved to provide the kinds of support that the most disadvantaged Australians need to break into the employment market. A more holistic, collaborative approach is needed when providing employment services to the most disadvantaged, including many parents in jobless families.

Research suggests that employment programs for jobless families have the highest chance of success when they are based on the following social inclusion employment principles:

- > they lead to sustainable jobs rather than to faster churning through short-term jobs for which people are not ready or fully suited;
- > they offer individualised and flexible support instead of following a prescriptive process;
- > they set achievable employment goals for individuals, encouraging them to make incremental improvements in their work readiness; and
- > they are accessible to all, with adequate attention paid to client needs such as childcare, transport and disability access.

More broadly, the research suggests that better employment and parenting outcomes can be gained by replacing loosely-connected, silo-based services with 'wrap around' services that address the full range of individual and family needs. For example, wrap around services

incorporate not only a parent's employment services, but assistance with housing, education and training, child care, transport, and a family's physical and mental health and other needs.

As part of the upcoming employment services review, it is now an opportune time to consider how JSA and DES can better meet the needs of jobless families.

With regard to the impact of high EMTRs, the Board believes that particular consideration should be given to reducing the disincentives to employment for parents in jobless families. This particularly applies to the transition from Parenting Payment Single to New Start Allowance, and on taking up part-time employment.

The Board also believes, however, that parents play an integral role in ensuring the long-term success of their children and considers that parents in jobless families should be supported and engaged in that important task. Policy responses must ensure that when the time is right, and these parents are able to increase their participation in the workforce, it can be in ways compatible with their family situation and parental responsibilities.

The Board considers that two of the key barriers to work for many jobless families headed up by single women are access to child care and transport to work.

The way forward

Based on these principles, the Board suggests broad reforms to the way services are provided to jobless families by:

1. providing more holistic, collaborative 'case-coordination' approaches to employment services for jobless families through more appropriate contractual arrangements with JSA and DES providers that recognise the quality as well as the quantity of employment outcomes;
2. addressing the multidimensional barriers to employment that jobless families face by reducing the emphasis on process and offering families more individualised services, including incorporating the positive lessons of pilot programs like the Family Community Employment Project, with its community outreach and mentoring services.
3. continuing efforts through the tax and transfer system to reduce the effects of high EMTRs and other financial disincentives on the motivation of parents returning to paid work;
4. working more effectively with the States and Territories to ensure the steps from welfare to work are better managed and that eligibility for benefits, including non financial benefits, such as the Pensioner Concession Card and transport concessions, cut out at the most rational point;
5. consolidating and increasing child care subsidies for disadvantaged jobless families; and
6. addressing and improving accessibility issues including: access to transport, opportunities to participate in employment; for example through integrated service delivery and community-based outreach.

Jobless families

Townsville Indigenous Playgroups Case Study

Bibigue and Rasmussen Playgroups

In 2009, the skills and capacity of members of the Bibigue (Indigenous) Playgroup, Townsville which had been meeting for several months with their children, were developed to such an extent that the group not only won the Playgroup Queensland Excellence Award for a Supported Playgroup but at least four of the group's members went on to find paid employment—the best possible result.

The Rasmussen Indigenous Playgroup (now Migi Stars) has many community partners including Child Health who visit each week, CentaCare and most recently the Rasmussen Community Hub.

One of the playgroup's mums has already been trained and placed in part-time employment through this organisation and more will follow.

These examples show the social inclusion aspects of a best practice local playgroup in action.

About Playgroup Queensland

Playgroup Queensland is funded by both the Australian Government and Queensland Government, however the majority of funds are raised locally through corporate giving, donations and fundraising activities.



Overcoming location-based disadvantage



Overcoming location-based disadvantage

Key points

- > *multiple disadvantage is concentrated in discrete locations*
 - > *governments are currently not well-equipped for tackling locational disadvantage*
 - > *success requires cross-government integration*
 - > *local communities need to be involved in identifying problems and their solutions*
 - > *devolving responsibility requires local capacity building*
 - > *the private and not-for-profit sectors have a key role in addressing locational disadvantage*
 - > *funding needs to be flexible and provided over the long-term*
 - > *public servants will need authority, support and training to implement this different approach*
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What is location-based disadvantage?

The most severe forms of social exclusion are often highly geographically concentrated. This is called 'location-based disadvantage'.

Analysis of the Australian Bureau of Statistics (ABS) 2006-Socio-Economic Index for Areas (SEIFA data)—finds that around 5% of Australians experience multiple disadvantages. This means they are disadvantaged in three or more of six selected areas of disadvantage (income, work, health, education, safety and support). However, people are much more likely to experience this multiple disadvantage if they live in a highly disadvantaged location. More than 17% of people living in the most disadvantaged locations experience multiple disadvantage, compared with less than 1% of people in the least disadvantaged locations.¹ This has particular relevance for Indigenous communities.

Principles for action

Governments are typically not well equipped to tackle the highly complex causes of location-based disadvantage. Those causes are usually inter-related, act to reinforce each other, can work against policy responses, and take time to turn around. The current 'siloed' approach has proved largely unsuccessful at creating long-term solutions. Success can be achieved, but it requires a new direction to create initiatives that are location-based, location-managed, flexibly funded, and provided over a longer timeframe. A key shortcoming of the silo approach is the reluctance of government agencies to give up power to others outside their field of activity.

Evidence from Australia and elsewhere suggests the best results arise from a model which engages communities and empowers them to be a part of identifying local problems and solutions. Creating such a model should be a long-term exercise, engaging all tiers of government.

¹ Comparing the most disadvantaged 10% of locations according to the SEIFA Index of Relative Disadvantage with the least disadvantaged 10%

The Board believes that such location-based approaches should be based on five key elements:

1. There should be a clear connection between local economic and social strategies, with employers as well as government and the community involved in economic capacity building.
2. Initiatives should be integrated across governments to avoid gaps, duplications, overlaps and red tape.
3. There should be a level of devolution to empower the local community to be involved in solving local problems.
4. Improving local engagement and devolving responsibility will require a strong focus on capacity building to enlist community leadership, energy, direction and motivation to the cause. Leadership must come from the ground up. The capacity of public servants to deliver location-based approaches needs to be enhanced.
5. From the perspective of governments, location-based approaches will require the adoption of new funding and accountability mechanisms. Initiatives could include longer funding timeframes, the increased use of flexible funding pools, and a move away from strict contractual relations for service delivery to the greater use of localised partnerships between all service providers to achieve shared goals.

In the Board's view, there is no more risk in adopting this approach than in maintaining the status quo. This approach will be no more costly than present practice, because allowing entrenched disadvantage to persist is extremely costly.

The way forward

The above principles suggest broad ways forward:

1. Designing place-based initiatives to include mapping of the community's economic capacities and prospects for growth, and involving major local employers from the start, in order to align these social and economic goals;
2. Identifying the most suitable communities for location-based initiatives and agreeing on the necessary protocols for co-operation between the Australian Government and State, Territory and Local governments;
3. Developing location-based governance structures on a case-by-case basis, to feature mechanisms for representing the local community and coordinating services provided by all levels of government, the non-profit sector, the business sector and the community;
4. Examining at all levels of government the potential for gradual devolution of spending responsibility to location-based governance structures, with appropriate accountability mechanisms;
5. Focussing in all locations on building the crucial capacities of human capital, physical infrastructure and local leadership;
6. Providing public servants with the necessary authority, support and training needed to devolve responsibility to location-based governance mechanisms; and
7. Ensuring governments begin work immediately.

Location-based initiatives

Fairfield Young Refugee Initiative Case study

Marian* is from Iraq and arrived in Australia in 2006 with her mother and four younger siblings. Marian's father is missing. Marian is 17 years old and has psychological problems and an intellectual disability and was receiving the Disability Support Pension when she was referred to the Initiative.

Prior to arrival in Australia, Marian and her whole family had never attended school. The family had unstable accommodation and were at risk of becoming homeless. Marian was experiencing conflict with her mother, over parental expectations. Marian was also in a relationship which was emotionally abusive. Marian was experiencing some legal problems and was not connected to any services.

By identifying her goals, strengths and challenges in discussion with a Fairfield Centrelink Personal Services Coordinator (PSC), Marian was assisted in achieving a number of goals. The PSC assisted Marian with a tailored response, including:

- > Career counselling at TAFE for further assessments and help with English
- > Mentoring support for language and social support
- > Worked collaboratively with the Case Manager (Disability Services Provider), to ensure other issues adversely impacting on Marian's ability to obtain employment were addressed
- > Supported the case manager by sharing information on Marian's circumstances and cross cultural issues
- > Facilitated communication with the case manager, enabling the building of the foundations for a good working relationship
- > Linked Marian to appropriate services to address her multiple complex needs, e.g. relationship, health, legal issues and education and employment barriers
- > post placement support to ensure that the connections are stable and that Marian is moving towards longer term social and economic participation goals.

The coordination of these interventions achieved better service delivery for Marian, who is now working full time with a landscaping company as well as undertaking study. Since becoming a participant in this Initiative, Marian's self confidence has significantly improved as she is better positioned to be able to effectively respond to challenges. She reports that gaining employment and undertaking study has led her to believe in herself and her ability to achieve her aspirations.

The PSC also worked with Marian's family to connect Marian's mother with a case worker at the local Migrant Resource Centre for assistance with advocacy regarding housing issues. The family have been successful in obtaining stable accommodation. Marian's mother was connected to a complex caseworker at the Fairfield Migrant Resource Centre to address issues such as isolation, and the family were linked to services for ongoing support.

The Initiative adopts a whole-of-government and whole-of community approach to address complex issues faced by young refugees, recognising the importance of developing customised interventions, to build resilience and a more inclusive community.

**Name changed to protect privacy*



Appendices



Appendix A—Terms of reference and membership of the Australian Social Inclusion Board

Terms of reference

The Australian Social Inclusion Board will:

- > provide advice and information to the Minister for Social Inclusion on how to improve social inclusion across the country;
- > consult widely and provide views and input on various aspects of social inclusion including how to measure disadvantage and social exclusion, how to increase economic and social participation, and how communities can be engaged on social inclusion matters;
- > report annually on progress on social inclusion to the Minister for Social Inclusion; and
- > provide advice on specific matters referred to it by the Minister for Social Inclusion.

Membership of the Australian Social Inclusion Board

Patricia Faulkner AO, Chair

David Cappo AO, Vice Chair

Elleni Bereded-Samuel

Ngiare Brown

Ron Edwards

John Falzon

Kerry Graham

Eddie McGuire AO

Tony Nicholson

Chris Sarra

Fiona Stanley AC

Tony Vinson AM

Linda White

Appendix B—Work of the Board December 2009 to December 2010

In accordance with its terms of reference, the Australian Social Inclusion Board has:

Provided advice and information to the Minister for Social Inclusion on how to improve social inclusion across the country, including:

- > advice on changes to youth allowances for students in regional and rural areas;
- > advice on the use of conditions associated with government payments and services;
- > a submission to the Fair Work Australia 2010 annual wage review;
- > advice to the Taskforce on Strengthening Government Service Delivery for Job Seekers;
- > advice to the Productivity Commission inquiry into a long-term care and support scheme for people with disability; and
- > submission to the National VET equity blueprint *Creating Futures: Achieving Potential through VET*.

As outlined above, the Board has provided advice on a range of specific matters referred to it by the Minister for Social Inclusion, most notably on:

- > jobless families with children;
- > children at greatest risk of long-term disadvantage;
- > locational disadvantage; and
- > measuring social inclusion.

Consulted widely and provided views and input on various aspects of social inclusion including how to measure disadvantage and social exclusion, how to increase economic and social participation, and how communities can be engaged with social inclusion matters including:

- > Board meetings at six locations around Australia primarily in disadvantaged regional and urban localities;
- > in conjunction with Board meetings, consulting community representatives to discuss the challenges they are facing in addressing social exclusion and the successes they are achieving to support disadvantaged people in their communities;

- > participation in the Australian Government's inaugural Social Inclusion Conference held in January 2010;
- > hosting a Chairs of Commonwealth advisory bodies meeting in Canberra to discuss shared issues and ways of working together; and
- > five meetings with Departmental Secretaries with a view to embedding the social inclusion agenda across a range of portfolios.

Reported annually on progress on social inclusion through:

- > release of the Board's annual report, *Social Inclusion in Australia: How Australia is faring*, in January 2010.

In addition, in 2010 the Board has:

- > responded to over 100 items of correspondence covering a wide range of issues;
- > participated in numerous meetings and conferences to discuss aspects of social inclusion; and
- > conducted eight public consultations with community representatives in all capital cities around Australia to inform them of the Board's research on breaking cycles of disadvantage.

Appendix C—Developments in measurement and reporting

The Board report, *Social Inclusion in Australia: How Australia is faring*, reported against the headline and supplementary indicators of the Social Inclusion Measurement and Reporting Framework. At the time it was noted that additional work would be done to further develop some of the indicators and that a data development strategy was planned to improve available data sources.

Establishment by COAG of National Agreements and National Partnerships and reporting on performance by the COAG Reform Council (CRC) has highlighted a number of deficiencies in data measuring progress in social outcomes in Australia. At the October 2010 NatStats conference, the Chair of the CRC highlighted the need for investment in the National Statistical System (NSS) and urged that significant improvement in data be addressed in five priority areas to meet COAG performance reporting requirements:

1. strong conceptual frameworks to underpin each National Agreement;
2. significantly improved availability of adequate data for performance reporting;
3. increased timeliness of data to monitor progress;
4. improved data quality to monitor and report change over time; and
5. optimal use of administrative data for performance reporting.

The Board supports these priorities for governments to improve the NSS. In particular, improved access to, and use of, administrative data has the potential to greatly improve our understanding of changes in social inclusion in a more timely way.

Recent data developments and improvements in data availability are promising to improve information about aspects of social inclusion. They include:

- > enhancements to the ABS 2010 General Social Survey to increase the sample of people living in areas of relative disadvantage and improve information about access to services and participation in citizen engagement activities;
- > developments by the ABS and the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) in homelessness statistics, investigating the use of Centrelink administrative data to identify a 'homeless or risk of homelessness' population on an annual basis;
- > development by the ABS of a 'low consumption possibilities' indicator, which measures the capacity of households to consume and is a composite of income, wealth and expenditure information, which is relevant to the economic resources domain in the indicator framework; and
- > development by the Australian Institute of Health and Welfare (AIHW) of an indicator-based reporting framework for early childhood development, which may lead to an indicator of multiple disadvantage for early childhood.

Further work needs to be done on developing indicators of multiple disadvantage for several life stages, such as children (early childhood and school age), youth, and older people.

Appendix D—Definitions, priorities and principles

Social inclusion defined

The Australian Government’s vision of a socially inclusive society is one in which all Australians feel valued and have the opportunity to participate fully. To achieve this, we have to ensure all Australians have the resources, opportunities and capability to:

- > learn by participating in education and training;
- > work by participating in employment, in voluntary work and in family and caring;
- > engage by connecting with people and using their local community’s resources; and
- > have a voice so that they can influence decisions that affect them.

While every person is ultimately responsible for making a go of their lives, not everyone begins at the same starting point and some people strike setbacks or crises. High barriers can sometimes be placed in people’s way, but we start with the proposition that no barrier is completely insurmountable, and everyone can aspire to participate actively in society. Social inclusion policies aim to give every Australian the help they need to access the opportunities society has to offer. The emphasis is on supporting individuals and communities to work their way to a better life.

Social inclusion policy priorities

Six priority areas for policy action have been adopted:

- > supporting children at greatest risk of long-term disadvantage by providing health, education and family relationships services;
- > helping jobless families with children by assisting the unemployed into sustainable employment and their children into a good start in life;
- > focusing on communities experiencing the greatest disadvantage by tailoring location-based approaches in partnership with the community;
- > creating employment opportunities and building community support for people with disability or mental illness;
- > reducing homelessness by providing more housing and support services; and
- > closing the gap for Indigenous Australians in life expectancy, child mortality, access to early childhood education, educational achievement and employment.

Social inclusion policies also aim to assist vulnerable new arrivals and refugees.

Social inclusion principles

To be socially included, people must be given the opportunity to:

- > secure a job;
- > access services;
- > connect with family, friends, work, personal interests and local community;
- > deal with personal crisis; and
- > have their voice heard.

With the endorsement of the Australian Social Inclusion Board, the Australian Government has adopted principles to guide social inclusion. These can be applied at many levels, from local to national. They include *aspirations*—what we want to achieve, and *approaches*—what we might do to get there.

Aspirational principles

Reducing disadvantage

Making sure people in need benefit from access to good health, education and other services;

Increasing social, civic and economic participation

Helping everyone get the skills and support they need so they can work and connect with the community, even during hard times; and

A greater voice, combined with greater responsibility

Governments and other organisations giving people a say in what services they need and how they work, and people taking responsibility to make the best use of the opportunities available.

Principles of approach

Building on individual and community strengths

Making the most of people's strengths, including the strengths of Aboriginal and Torres Strait Islander peoples and people from other cultures;

Building partnerships with key stakeholders

Governments, organisations and communities working together to get the best results for people in need;

Developing tailored services

Services working together in new and flexible ways to meet each person's different needs;

Giving a high priority to early intervention and prevention

Heading off problems by understanding the root causes and intervening early;

Building joined-up services and whole of government(s) solutions

Getting different parts and different levels of government to work together in new and flexible ways to get better outcomes and services for people in need;

Using evidence and integrated data to inform policy

Finding out what programs and services work well and understanding why, so you can share good ideas, keep making improvements and put your effort into the things that work;

Using locational approaches

Working in places where there is a lot of disadvantage, to get to people most in need and to understand how different problems are connected; and

Planning for sustainability

Doing things that will help people and communities deal better with problems in the future, as well as solving the problems they face now.

Abbreviations

ABS	Australian Bureau of Statistics
APS	Australian Public Service
COAG	Council of Australian Governments
CRC	COAG Reform Council
DEEWR	Department of Education, Employment and Workplace Relations
DES	Disability Employment Services
EMTR	Effective Marginal Tax Rate
Framework	Social Inclusion Measurement and Reporting Framework
GFC	Global Financial Crisis
JSA	Job Services Australia
OECD	Organisation for Economic Cooperation and Development
SEIFA	Socioeconomic Index for Areas

