



**AASW**

**Australian Association  
of Social Workers**

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## *2018–2019 Pre-Budget Submission*

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## Who we are

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The Australian Association of Social Workers (AASW) is the professional body representing almost 10,000 social workers throughout Australia.

We set the benchmark for professional education and practice in social work and have a strong voice on matters of social inclusion, social justice, human rights and issues that impact upon the quality of life of all Australians.

### The social work profession

The social work profession is committed to pursuing social justice and human rights. Principles of social justice, human rights, collective responsibility, and respect for diversity are central to the profession, and are underpinned by theories of social work, social sciences, humanities and Indigenous knowledges. Professional social workers consider the relationship between biological, psychological, social, and cultural factors and how they influence a person's health, wellbeing and development.

Social workers work with individuals, families, groups and communities. They maintain a dual focus on improving human wellbeing and identifying and addressing any external issues (known as systemic or structural issues) that detract from wellbeing, such as inequality, injustice and discrimination

### Our submission

Social workers aim to enhance the quality of life of every member of society and empower them to develop their full potential. We believe that everyone has the right to an environment (social, economic and natural) in which it is possible to flourish and thrive. The purpose of the economy is to provide the material foundation for such a society. Given that the Federal Budget is the government's primary instrument by which to determine the operations of that economy, it is the primary opportunity for the government to create the conditions under which people will pursue healthy, meaningful and rewarding lives. Therefore, the success of any budget is measured by its social impact as well as by its economic consequences.

The decisions made in this budget will have a significant impact on the lives of vulnerable groups from a range of backgrounds, including but not limited to Aboriginal and Torres Strait Islander peoples, children, young people, older Australians, single parent families, people with disability and those experiencing unemployment. The AASW strongly believes that the wellbeing of all Australians needs to be the primary consideration of any budget.

With this in mind, we have outlined some of the key areas that we believe the 2018–2019 budget needs to address, including:

1. Financial security and inadequate incomes
2. Economic participation and the Cashless Debit Card
3. Family violence and access to justice
4. Medicare, mental health and services for older people
5. Housing and homelessness

#### 1. Financial security and inadequate incomes

Current levels of income security are creating entrenched poverty. Women in particular are most likely to be caught in a lifetime poverty trap. Employment has been valorised as the means for

disadvantaged people to achieve dignity and participate in the social and economic life of the country. Social workers witness the detrimental long-term impacts of policies that stigmatise those not in the workforce when they are contending with significant life issues impacting their health and wellbeing.

Recent government policies have altered the eligibility criteria for pensions to such an extent that large groups of people who were previously dependant on pensions are now dependant on the unemployment-based allowances for people of working age. This has resulted in budget savings for the government, because the Newstart Allowance is at least \$174 below the already stringent levels of pensions.<sup>1</sup> This has also resulted in many more people living in poverty: these allowances are set at rates that are too low to support a minimally adequate standard of living.

A recent report from the Social Policy Research Centre (SPRC) has calculated the amount of money that is required to provide a minimally adequate standard of living; the Minimum Income for Healthy Living (MIHL). For a single adult with no children, the level of the MIHL is \$433 and for a couple with two children, it is \$814 each week. It can be seen that the levels have been set very low, sitting close to the poverty line, which is only 50 per cent of median income.<sup>2</sup> This SPRC report demonstrates the wide gap between the current rates of social security payments and these amounts for a MIHL.<sup>3</sup> It estimates that for a single person, the Newstart Allowance is \$96 each week below what is required for an adequate minimum standard of living,<sup>4</sup> equalling \$4992 each year. For two unemployed adults with two dependent children, the Newstart Allowance is \$126 each week below what is required for a basic standard of living,<sup>5</sup> equalling \$6552 each year.

Recent data from the Australian Bureau of Statistics (ABS) confirms that low income households devote the major portion of their weekly budget to necessities such as food, energy, transport, health and rent. Almost two thirds of low income households are living under such severe financial stress that they cannot pay bills and would be unable to respond to an emergency.<sup>6</sup>

Furthermore, our own research into student poverty found that 27 per cent of social work students indicated that the low level of financial study support from the government increased the likelihood of dropping out of the course; this percentage grew to 45 per cent for the full-time students who were experiencing ongoing financial difficulty.<sup>7</sup>

## Recommendations

We call on the government to:

- Lift immediately the rate at which Allowances for people of working age are paid to equal the amounts specified in the MIHL
- Increase the rates of pensions, allowances and student payments, lower the income eligibility thresholds, relax waiting periods and decrease the taper rates to ensure that income support payments remain higher than the poverty line
- Restore staffing levels within the sections of the public sector that have face-to-face contact with people on low incomes

## 2. Economic participation and the Cashless Debit Card

The Cashless Debit Card (CDC) undermines the dignity and autonomy of people who are forced to use it and contravenes the principles on which our welfare system was founded: to provide people

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<sup>1</sup> Australian Council of Social Service 2017

<sup>2</sup> P. Saunders & M. Bedford, *The new budget standards for low paid and unemployed Australians*, Social Policy Resource Centre, 2017

<sup>3</sup> *ibid*

<sup>4</sup> *ibid*

<sup>5</sup> Australian Council of Social Service, *The cost of living a decent life: New report highlights the inadequacies of income support for low paid and unemployed Australians*, Media release, 23 August 2017

<sup>6</sup> Australian Council of Social Service, *New figures are a wake up call to government*, Media Release, 14 September 2017

<sup>7</sup> <https://www.aasw.asn.au/document/item/8772>

who are unable to work an acceptable standard of living and to encourage economic and social participation. The right to receive income support derives from our recognition of the dignity and autonomy of every person. We acknowledge that there exists a diversity of views around the solutions to these issues among health professionals, academics and respected Aboriginal and Torres Strait Islander elders and community leaders. We share their desire for better outcomes for the most vulnerable members of our society and their frustrations with the current lack of progress against many indicators of wellbeing.

Our commitment to promoting the human rights of people who are experiencing disadvantage informs our response to policy direction. We believe that entrenched problems require a response that addresses the underlying systemic problems.

### **Recommendations**

We call on the government to:

- Abandon the compulsory cashless welfare card and instead implement initiatives that have been demonstrated to promote full economic, social and cultural participation
- Replace the current work-for-the-dole program and job preparation programs with a targeted strategy to identify workforce needs, and create effective pathways into meaningful work for all young people

### **3. Family violence and access to justice**

Family violence affects many members of society, it is a gendered crime most commonly perpetrated by men against women, which also deeply affects children. The causes of family violence are complex and include both individual and social factors, such as gender inequality and community attitudes towards women. As a fundamental cause of violence against women, gender inequality is reflected across all aspects of a woman's life. Governments can address gender inequity within institutions and structures as well as communities and workplaces that receive government funding, and government bodies themselves, by using a gender lens to review existing legislation and policies.

In order to begin to address these larger structural issues governments need to adequately fund the service system that responds to women and children who experience violence, including family violence services, sexual assault services, health services, judiciary, law enforcement, men's behaviour change programs, and housing services. Additionally governments need to adequately fund primary, secondary and tertiary programs across a range of settings so that the work of preventing violence against women is integrated into all levels of society. Above all, there is a significant need for governments to show leadership in regard to the educational, behavioural and attitudinal change that is desperately needed to address this national emergency.

### **Recommendations**

- We call on the government to: Raise the level of funding for the family court to enable cases to be heard within reasonable time limits and employ more staff in roles that reduce the level of conflict within families
- Implement compulsory training for all staff in the family court to identify indicators of family violence and to ensure court processes prevent perpetrators from continuing to abuse their partners and children
- Guarantee future long-term funding for legal aid services, and ensure that all women who

- have experienced family violence receive adequate legal representation
- Commit funding to ensure that only professional workers who reach a certain standard of family violence training/qualification to write Family Court reports

#### **4. Medicare, mental health and services for older people**

We strongly support the current review of the Medicare Benefit Schedule and believe there are key areas that require immediate attention from the federal government, including improved access for older Australians to mental health services and pay parity for social workers.

Currently there are over 170,000 older Australians living in residential aged care who are ineligible to access much needed mental health services, including Accredited Mental Health Social Workers, through the Better Access to Mental Health Care program. While research continues to show that older Australians living in *aged care facilities* have some of the highest rates of depression and anxiety, they are being denied the necessary supports.

As with the recent inclusion of telehealth Medicare items for rural and remote communities, we strongly urge that the government overturns the current policy that denies older Australians in residential care access to the treatment that they need.

In relation to pay parity, under the MBS fee schedule Accredited Mental Health Social Workers are paid less than psychologists for providing the same services. AASW requests that the two tiered rebate system for providers of Focused Psychological Strategies under the Better Access Initiative be reviewed to better reflect an improved schedule fee setting process, in line with recognition that fees need to meet ongoing needs of clinicians and facilitate the provision of safe, high quality services for the public.

#### **Recommendations**

We call on the government to:

- Fund and make mandatory the training of health and community care workers to recognise and respond to complex needs in older people such as poor mental health or elder abuse
- Ensure equitable access for older people with complex psychosocial needs to comprehensive support. This can be achieved by extending eligibility for rebatable Medicare services from an Accredited Mental Health Social Worker so that it includes residents of aged care facilities
- Reform the Medicare payment schedule so its the same for Accredited Mental Health Social Worker and registered psychologists when carrying out the same work

#### **5. Housing and homelessness**

The situation with regard to affordable housing continues to deteriorate in Australia and is greatly influenced by a range of policies of both the federal and state governments. Shortages in affordable housing directly affect the health, educational, employment, and emotional wellbeing of individuals, families and communities. Declining housing affordability is associated with an increased risk of homelessness. Social workers are committed to working with individuals, groups and communities to promote the pursuit and achievement of equality in Australian society. Social workers directly assist individuals and families to locate and maintain secure and affordable housing but experience increasing difficulties in achieving these outcomes. Furthermore, social workers are committed to

making a prosperous country such as Australia more equitable by advocating for the provision of affordable housing for all.

### **Recommendations**

We call on the government to:

- Reform the tax treatment of housing to remove distortions and improve affordability
- Promote public and private investment in new affordable housing to address the shortfall in affordable housing stock
- Increase the maximum rate and improve indexation of Commonwealth Rent Assistance to relieve rental stress
- Reform tenancy protections to provide more security for people who rent

### **Conclusion**

It is the responsibility of government to ensure that everyone has sufficient material resources to meet their requirements for food, water and sanitation, safe housing, health care and education. The AASW is concerned that there is a significant group of people who do not have these fundamentals. We believe this budget provides the government an important opportunity to address these issues and improve the lives of individuals, families and communities across Australia.

Submitted for and on behalf of the Australian Association of Social Workers Ltd



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