Introduction

- Launch of Final Report, February 2015
- Extensive consultations, public submissions, online comments
- Integrated approach across four pillars of reform with employment focus
Need for Reform

• Complex and inefficient system
• Disincentives to work
• Changing employment market
• Early intervention for at risk groups
A complex system:
20 payments and 55 supplements

Note:
  Department of Veterans' Affairs payments not included
Simpler architecture:

- **Supported Living Pension** for people permanently and severely restricted in their capacity to work
- Tiered **Working Age Payment** reflecting capacity to work (Upper, Middle and Foundation tiers)
- **Carer Payment**
- **Child and Youth Payment**
- **Age Pension**
- **Four Categories of Supplements**
Pillar One: Making work pay

- Passport to Work as a safety net
- Better rewards for work
Investment Approach

- Independent actuarial valuation
- Early intervention and investment in people at greatest risk of lifetime dependence
- Complements mainstream services
- Outcome-based, test-and-learn
Pillar Three: Engaging with employers

• Where are the Jobs?
  – Growing Industries:
    • Health Care and Social Assistance, Education and Training, Retail, Construction.
  – Across skill levels

• Business case for workforce diversity
Pillar Three:
Engaging with employers

Jobs Plan

- Australia ranks 21 out of 29 for labour force participation of people with disability across OECD.
- Jobs Plan for people with disability and mental health conditions
- Bring together business, government and civil society leaders to develop and implement initiatives
Pillar Four: Building community capacity

- Social Benefit Bonds: Newpin SBB
- Community business partnerships; Foyer Model
- Support for microbusiness and social enterprises
‘Providing individuals with the substantive freedom to lead a life they value: where a person’s substantive freedom depends not only on their rights and liberties but also on their own abilities and characteristics, and the economic, social and natural environment around them’

Professor Amartya Sen, Nobel laureate