



Mallee Family Care Pre-Budget Submission 2025-26

Supporting Families and Children for a
Stronger Australia

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www.malleefamilycare.com.au



Introduction: Investing in Children and Families

Australia is a wealthy country with the potential to provide every child with an optimum start in life. However, there are currently significant inequalities in developmental, health, social and educational outcomes between children based on their socio-economic status, geographic location and other factors, including Indigeneity.

A significant proportion of Australian children - nearly 20% - are living in poverty according to a report from ACOSS. Poverty in childhood has long-term consequences including lower educational attainment, poorer health outcomes and higher likelihoods of contact with the criminal justice system, which perpetuates cycles of disadvantage across generations.

Poverty does not occur in isolation and is often associated with other forms of disadvantage, with compounding adverse impacts. These forms of disadvantage are not uniformly spread across the population but cluster together in communities which has led to significant geographic inequities across Australia.

Children living in the most socio-economically disadvantaged areas are more than twice as likely to be developmentally vulnerable on one or more AEDC ([Australian Early Development Census](#)) domains (33.2% and 14.9% respectively). They are also more than three times more likely to be vulnerable on two or more domains compared to children in the least disadvantaged locations (19.1% and 6.7% respectively). A recent [report](#) by Deloitte Economics identified 706 communities with the highest level of community need due to the extent of socio-economic disadvantage and developmental vulnerability of children and families in those regions. Over two thirds of the 706 shortlisted communities are classified as remote or regional.

Due to this geographical inequity and the intersectional impacts of poverty and other forms of disadvantage, a place-based whole-of-community response is required to improve opportunities for children and families in areas of significant vulnerability. Supporting these children and families will not only benefit them but also yield significant benefits for the broader Australian community. Evidence shows that early interventions—such as quality early childhood education, family support programs and access to housing—can reduce the likelihood of negative outcomes like unemployment, poor health and criminal behaviour. Programs targeting at-risk families have been shown to improve school readiness, educational attainment and workforce participation, all of which contribute to stronger economic growth and productivity and reduce spending on welfare and the criminal justice system.

There is significant evidence that Nobel Laureate [James Heckman](#) highlight that every dollar invested in early childhood development for disadvantaged children can yield a return of up to \$13 through improved outcomes in education, health and reduced crime.

There is also a strong evidence base in Australia showing investing in early intervention and other support programs for children and families delivers long-term social and economic benefits to the community. This includes:

- The [Early Help Family Services](#) program in Victoria has been shown to enhance social connection, improve service accessibility, strengthen parental confidence, and foster long-term social and economic benefits by building more resilient families and communities.
- The [Pathways to Prevention](#) program has shown reductions in antisocial behaviours and juvenile offenses, leading to long-term savings in policing and correctional systems.

- The [Justice Reinvestment initiative](#) in Bourke, NSW, has demonstrated that addressing housing instability can reduce crime rates and generate substantial savings in law enforcement and incarceration costs

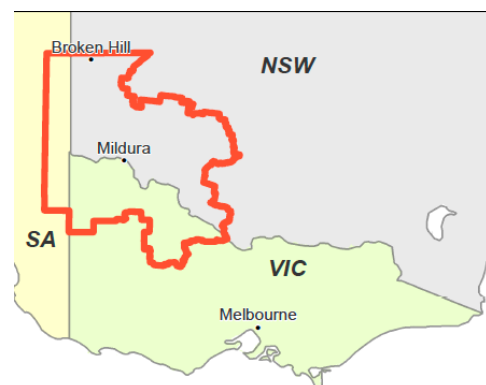
This evidence clearly demonstrates that supporting families and children not only fosters a fairer and more cohesive society but also ensures that future generations can contribute fully to their communities. MFC acknowledges that the Government has made some commitments in this area, including through the Early Years Strategy, housing reforms and a range of programs to combat family and domestic violence. This submission provides some additional proposals to build on these programs through addressing the drivers of disadvantage and taking a place-based approach to entrenched disadvantage.

About Mallee Family Care

Mallee Family Care (MFC) is a place-based organisation in the Mallee region committed to fostering resilient families and thriving children.

MFC plays a vital role in addressing disadvantage among families and children by delivering comprehensive, place-based support services that target the root causes of social and economic inequity.

MFC's programs in areas such as child protection, family support, housing and mental health, ensure that vulnerable families have access to the resources they need to meet the challenges of poverty and other forms of social and economic disadvantage. Through initiatives like early intervention programs, parenting support and advocacy for systemic change, MFC fosters resilience and helps break cycles of poverty and disadvantage.



2025-26 Federal Budget Recommendations

This submission outlines key recommendations for the 2025-26 Federal Budget that aim to address the systemic challenges faced by vulnerable families and children, focusing on strengthening support services, improving access to essential resources and empowering communities to overcome entrenched disadvantage.

1. Addressing Cost of living and income support challenges

Objective: Enhance financial security for families and reduce cost-of-living pressures, particularly in rural and regional areas.

- **Social security payments above the Henderson Poverty Line:** Raise all social security payments to a level above the Henderson Poverty Line, ensuring financial stability for vulnerable families.
- **Affordable Internet access:** Mandate telecommunications providers to treat internet access as an essential service, in line with Article 19 of the [Universal Declaration of Human Rights](#), and expand access to low-income broadband connection programs for rural and regional communities.

- **Increased emergency relief funding:** Boost funding for emergency relief providers in the Mallee region by 30% to meet escalating demand.
- **Reform of remote area allowance:** Increase and index the Remote Area Allowance to account for the additional costs associated with living in rural and remote areas.

2. Strengthening support for children at risk

Objective: Ensure the safety, well-being and development of children at risk by providing targeted interventions and support.

- **Investment in tailored mental health services for foster children:** Allocate dedicated funding to provide foster children with guaranteed access to specialist mental health support, including regular counselling, trauma-focused therapies and culturally appropriate mental health services tailored to their experiences.
- **Support for reunification efforts:** Increase funding for programs that address root causes of family separation, such as substance abuse, housing insecurity, or mental health challenges, enabling safe reunification when possible.
- **Increased financial and other support for foster carers:** Introduce a funding and support package to provide foster carers, including:
 - A National Foster Care Payment Scheme to reduce inconsistencies across states and provide equitable support for carers;
 - Expanding Centrelink benefits for foster carers;
 - Introducing superannuation contributions for long-term carers, recognising it as essential work and providing retirement savings benefits.
 - Improve access to support services for foster carers including trauma-informed training and access to mental health resources.
- **Reduce caseworker caseloads:** Provide funding to hire additional caseworkers, ensuring manageable caseloads that allow for individualised attention and proactive care for children.

3. Addressing housing and homelessness


Objective: Expand access to secure, affordable housing and address homelessness through structural reforms.

- **Reform Capital Gains Tax and negative gearing:** Implement a phased reduction in capital gains tax discounts over ten years and reform negative gearing policies to incentivise investment in social and affordable housing.
- **Commonwealth Rent Assistance (CRA) reform:** Adjust the cut-in rate for CRA to widen access for low-income households and align indexation with real increases in rental prices.
- **Housing-First approach:** Increase funding for homelessness services to adopt a housing-first model, ensuring individuals and families experiencing homelessness secure stable housing as a foundation for broader support.

4. Strengthening the community sector to address rural and regional disadvantage

Objective: Strengthen the capacity of the community sector to respond effectively to the unique needs of rural and regional communities, building on current programs in this area such as Stronger Places, Stronger People and PLACE.

- **Longer grant agreement cycles:** Implement longer grant cycles and streamline application and assessment processes for organisations delivering multiple services or engaging with multiple government agencies.

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- **Flexible grant agreements:** Increase grant agreement flexibility to allow for the reallocation of funds to emerging service needs, with performance measured based on outcomes rather than rigid activity metrics.
 - **Support for innovation:** Provide continued funding and support for testing innovative approaches, including pilot projects that enable local communities to explore new strategies and interventions.
 - **Place-based grant funding:** Adopt a place-based model for community sector grants to tailor funding and service delivery to the specific needs of areas experiencing entrenched disadvantage.

Conclusion

By adopting these recommendations, the Federal Government can make significant strides toward strengthening families and children in rural and regional communities, addressing systemic inequalities and fostering long-term resilience. As the evidence makes clear, targeted investments in these communities not only improve lives in the short-term but also generates substantial long-term social and economic benefits. MFC looks forward to working collaboratively with government agencies to implement these initiatives and achieve positive outcomes for a stronger and more inclusive Australia.

Key contact

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