



ACT BUDGET 2007–08 SNAPSHOT

6 June 2007



ABOUT ACTCOSS

ACTCOSS acknowledges that Canberra has been built on the traditional lands of the Ngunnawal people. We pay our respects to their elders and recognise the displacement and disadvantage traditional owners have suffered since European settlement. ACTCOSS celebrates the Ngunnawal's living culture and valuable contribution to the ACT community.

The ACT Council of Social Service Inc. (ACTCOSS) is the peak representative body for not-for-profit community organisations, people living with disadvantage and low-income citizens of the Territory. ACTCOSS is a member of the nationwide COSS network, made up of each of the state and territory Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS' objectives are representation of people living with disadvantage, the promotion of equitable social policy, and the development of a professional, cohesive and effective community sector.

The membership of the Council includes the majority of community based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

ACTCOSS receives funding from the Community Services Program (CSP) which is funded by the ACT Government.

Contact Details

Phone: 02 6202-7200
Fax: 02 62481-4192
Mail: PO Box 849, Mawson, ACT, 2607
E-mail: actcoss@actcoss.org.au
WWW: <http://www.actcoss.org.au>
Location: Level 1, 67 Townshend Street
Phillip, ACT, 2606

Director: Ara Cresswell
Manager, Policy and Communications: Llewellyn Reynders

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OVERVIEW

ACTCOSS welcomes a number of extremely positive initiatives in the 2007-08 Budget. In particular, we are pleased to see a Government focus on key areas of unmet need in the disability and mental health portfolios. However, in a year of Budget surplus, we are disappointed that more money has not been allocated to alleviating social disadvantage and strengthening community services.

There are a number of core spending initiatives which have been welcomed by the community sector, including:

- \$4.3 million in public housing investment;
- \$15.8 million over 4 years for additional disability services;
- \$12.6 million over 4 years for additional mental health services;
- \$1.7 million over 4 years for additional public dental services;
- \$1.9 million over 4 years for the youth health services and maintenance;
- \$2.1 million over 4 years for support for vulnerable children and families;
- \$2 million for additional bus services;
- \$6.2 million over 4 years for additional vocational education and training for young people.

However, a number of areas of unmet need have received either no additional funding or insignificant funding increases in this Budget. The Budget does not adequately address existing pressure on homelessness, alcohol and drug or problem gambling services. This is despite the fact that Supported Accommodation Assistance Program (SAAP) funding was drastically cut last year resulting in significant levels of unmet need. Further, there has been no additional alcohol and other drugs (AOD) funding for a number of years, leading the sector to question the Government's commitment to harm minimisation. Further, there are few substantial initiatives directed to alleviating Indigenous social disadvantage. Women also fare poorly under this year's Budget, with little funding directed to women's initiatives and weak, largely retrospective, gender analysis.

More broadly, the Budget fails to address systemic workforce and viability issues facing the community sector. Although Budget allocations in some areas are designed to respond to unmet client need, they do not address the systemic challenges of poor wages and conditions, high staff turn-over, skills shortages, inadequate and unsafe facilities and the issues involved in maintaining workforce diversity and occupational health and safety standards. The Community Sector Taskforce Report made a series of recommendations around these issues more than a year ago, but we are still waiting for Government action. To meet the need, the system must be supported. Without viable community sector organisations with supported workforces, services cannot effectively respond to client need.

HOUSING AND HOMELESSNESS

Selected Initiatives

- **\$4.3 million in 2007-08 for new public housing properties**
This new funding is to be invested in the development of a minimum of 17 2-bedroom units for people with high and complex needs.
- **\$600,000 for upgrade of Narrabundah Long-Stay Park**
This upgrade will have a focus on electrical and fire safety at the Park to increase residents' safety.
- **\$320,000 over 4 years for Rental Advisory Services**
This funding is to be directed to the employment of extra staff to provide information and advocacy around tenancy issues for private renters
- **\$830,000 over 4 years for Housing Affordability Team**
This funding was announced as part of the Government's Housing Affordability Strategy to implement a number of issues, including the restructure of community housing.

Issues

Our biggest concern is that, given last year's drastic cuts to SAAP, this year's budget fails to provide any new money in the area of homelessness services and crisis accommodation. While some of the affordability measures may reduce pressure on homelessness services in the long-term, their current difficulties will continue to worsen in the short-term.

We continue to welcome the ACT Government's commitment to improving housing affordability, although these will take some time to take effect. However, we are concerned that, despite the proposal to transfer land titles to expand the community housing sector, the ACT government expects the number of properties in this sector to shrink in the coming year.

We are pleasantly surprised by an additional \$4.3 million capital injection into public housing. New public housing units for people with complex needs are welcome but, given tenants' complex needs, we hope that this stock will be located near social services and facilities, not distant from them.

We also welcome the increased funding for tenant's advisory services. However, we are puzzled that there appears to be no indexation built into this funding, unlike other community service funding agreements.

HEALTH AND AGEING

Selected Initiatives

- **\$47.1 million over 4 years to increase public hospital acute capacity in Canberra**

20 more beds, more critical care beds and equipment, more operating theatre space for elective surgery, acute aged care and rehabilitation beds, blood products and cancer services.
- **\$29 million for a multi-storey car park at the Canberra Hospital over 2 years**

1,080 staff car parks, 410 spaces for visitors and a helipad.
- **\$1.7 million for public restorative dental care over 4 years**

Funding for 415 clients on the waiting list for restorative dental care.
- **\$1.9 million for the Junction Youth Health Service over 4 years**

Funding to employ two youth health nurse coordinators and two youth health workers.
- **\$2.15 million over 4 years for chronic disease initiatives**

Funding to encourage detection and diagnosis, risk management, early intervention services, and improved patient treatment pathways.
- **\$2.1 million for population health initiatives**

This funding is for communicable disease control programs and health surveillance.

Issues

While increased expenditure on acute services meets some health care needs, it is widely recognised that shorter lengths of stay and more chronic conditions require a different mix of health services to deliver the best outcomes for consumers. This includes more community based health services and more non-medical support services to avoid hospitalisation and to allow early return to the community.

While some money has been made available for chronic disease management and self-management, this Budget has done little to address the need to avoid hospitalisation through appropriate community-based service to keep people out of hospital or to support the safe early discharge of those who are hospitalised.

Access to health services for disadvantaged groups remains a concern. Issues include the shortage of general practitioners, a limited number of bulk-billing services, and a continuing high demand for services.

ACTCOSS is disappointed that there is no indication of forward planning to meet the longer-term convalescent needs of the ACT's ageing population, for example, by increasing community-based convalescent facilities.

MENTAL HEALTH

Selected Initiatives

- **\$12.6 million over 4 years for mental health service enhancements**

This includes enhanced staffing of the Older Persons Mental Health Inpatient Unit, recruitment of Emergency Department mental health nurses, a 24 hour Adult Step Up/Step Down and outreach program, additional staff and training as well as care coordination programs.
- **\$2.29 million for the Mental Health Acute Inpatient Unit**

This capital works funding is for the design of a 40 bed adult inpatient facility to replace the existing Psychiatric Services Unit (PSU).
- **\$1.2 million for the High Secure Mental Health Inpatient Unit**

This capital works funding is for the forward design of a high secure mental health inpatient unit.
- **\$2.078 million over 4 years for at risk children and families**

Integrated mental health and opiate replacement program to provide intensive support and assertive case management for women and their families from pregnancy to 2 years of age.

Issues

At this stage limited information is available about the Mental Health Service Enhancement program and the Targeted Support for at risk Children and Families initiative. While the adult step up/step down, community care coordination and support for at risk children initiatives are welcomed, it is imperative that strong community sector partnerships are formed to deliver these important services with adequate resources allocated to sustain such programs. In addition, it is imperative that a coordinated and robust community participation process is conducted in the development of the adult inpatient and secure facilities. This is essential to ensure that community concerns are discussed and that models of care as well as design features are supported by consumers and carers.

This budget involves an increase of \$6.5 million in mental health funding when compared to last budget. However, we hope that this is to be the first in a series of new investments honouring the Government's commitment to meet agreed national mental health reform targets as set out in the 2006 Council of Australian Governments (COAG) mental health plan. Further, in the absence of detail, we hope that the Mental Health Service Enhancement Program will significantly enhance capacity in the community mental health sector.

DISABILITY

Selected Initiatives

- **\$15.8 million over 4 years to increase disability services**
To be allocated through Individual Support Packages and direct agency funding and directed to accommodation services, carer support, access to respite and improved community access programs.
- **Increase in number of respite care bed nights**
The new forecasts (8900 from 8566) account for past under-estimation.
- **\$1 million over 2 years for disability access in schools**
\$700,000 this year and \$300,000 next year to improve disability access in schools.
- **\$8 million over 2 years to boost accessible buses**
A welcome increase in the number of accessible buses in the bus fleet.
- **\$550,000 to improve access to public buildings**
This funding will improve disability access to the Human Rights Commission and the Supreme Court.

Issues

ACTCOSS welcomes these major positive disability initiatives. In particular, we are pleased to see the increase in funding for services for people with disabilities of \$15.8 million over 4 years. However, we note that the forecasted need remains static over those years rather than increasing with the expected increase in the Territory population. Further, it is unclear how much of this money will be available for community services or for workforce development in community services.

We welcome initiatives to improve access to public transport and key community facilities, including increased numbers of accessible buses for the ACTION fleet, accessibility measures for students at non-government schools and improved access to the Supreme Court and Human Rights Commission. Initiatives announced over recent days to provide more inclusive facilities for children with disabilities in community parks are also welcome. However, several key initiatives, including the increase in accessible buses and facilities for non-government schools, are short term measures with decreasing funding in the out years. Therefore, questions remain about the Government's ongoing commitment to improving access for people with disabilities. Improving access for people with disabilities must be consistently sustained until the objective of an inclusive community is met.

EDUCATION

Selected Initiatives

- **\$6.2 million over 4 years for VET**

This measure supports the increasing numbers of young people engaged in apprenticeships and traineeships.
- **\$60.7 million to construct a new senior secondary college in Gungahlin**

The college will include facilities for CIT students and for general community use.
- **\$50 million to build a new preschool to Year 10 school in Tuggeranong**

The school will be built on-site of the current Kambah High School.
- **\$830,000 over 4 years for Secondary Bursary Scheme**

The scheme currently provides \$500 per year for students in Years 8 and 9 from financially disadvantaged families. This initiative extends eligibility to students in Years 7 and 10.

Issues

ACTCOSS is concerned that there has been no review of the impact of school closures on student, family and community wellbeing, particularly given the likelihood that school closures are impacting disproportionately on students from low socio-economic backgrounds, disadvantaged groups, and special needs groups. In its 2007-08 Budget Submission, ACTCOSS called for the Government to further consider and address the impact of the closures. This would require social-demographic analysis and substantial community consultation.

ACTCOSS also argued against proposals to cut the number of counsellors and support workers in schools, as these services are vital in providing confidential emotional and psychological support to students.

It is noted that there is no effort to redress the reduction in the number of counsellors in schools, or to improve educational support for students with special needs – Indigenous students, refugee children, students with disabilities. Nor is there specific support for re-skilling older people who want to re-enter the workforce. We also call for funding of additional places in post-secondary training and employment programs for people with a disability.

JUSTICE AND CORRECTIONS

Selected Initiatives

- **\$2,203,000 over 4 years for victims of crime**
This funding will be directed to reduce waiting lists for counselling services and more generally improve access to services for victims.
- **Funding of \$1.2 million to design police station at Belconnen**
This funding will be allocated to the forward design and tender readiness of the new Belconnen police station.
- **\$710,000 in 2008-09 for the new youth detention centre**
This initiative is to provide for the commissioning of the new youth detention centre. There is also more than \$2.5 million allocated to cover cost escalations in the construction of the youth detention centre.

Issues

We welcome the budget allocations to improve services to victims of crime. However, we note that the Budget contains few new community justice initiatives, and no funds directed to prevention, intervention and rehabilitation programs. In addition, apart from rental tenancy advocacy services, there is no new funding to community legal services or consumer advocacy services. ACTCOSS is disappointed that there has been no allocation to community human rights education in the ACT. In addition, although funding has been allocated to a new police station and more police officers, we had hoped to see allocations to police training programs in cultural awareness, mental health and human rights compliance.

INDIGENOUS

Selected Initiatives

- **\$700,000 towards Indigenous elected body over 4 years**
\$100,000 is allocated in 2007-08 for the finalisation of the proposed model, including funding for consultative processes. Projected funding of \$200,000 p.a. is allocated from 2008-09 for the operation of the body.
- **\$40,000 for Indigenous public service traineeships over 2 years**
\$20,000 is allocated in this financial year with projected funding of \$20,000 for 2008-09.

Issues

Despite the above initiatives, there is little designated funding to Indigenous specific services in this year's budget, nor to making mainstream services more accessible to Indigenous potential service-users. In addition, the Budget includes no measures to improve Indigenous educational outcomes, to address the high rate of Indigenous involvement in the criminal justice system nor to address indigenous health disadvantage. ACTCOSS is concerned that projected funding of \$200,000 per annum for the Indigenous representative body is inadequate to meet infrastructure, remuneration and other essential costs and enable it to effectively perform a representative function. We are also concerned that the finding provision for public service traineeships of \$20,000 is inadequate. Further, we are disappointed that no equivalent initiatives have been allocated for the community sector, which faces similar Indigenous workforce challenges.

WOMEN

Selected Initiatives

- **\$883,000 over 4 years for Return to Work Grants**

Funding for women from cultural and linguistically diverse (CALD), Indigenous or low-income backgrounds to support their return to work after having a child. Grants of up to \$1,000 are to be provided.
- **\$209,000 over 4 years for additional ongoing funding for Arcadia House**

This provides for residential detox and withdrawal for women and women with children, following on from pilot funding in 2006-07.
- **\$596,000 NET over 4 years to HPV vaccinations**

Funding for all female high school and college students, with on-going funding for Year 7 girls.
- **\$250,000 over 4 years for a Fagan Foundation Scholarship**

Funding for women working in law enforcement, care and protection and allied services.

Issues

Despite a Women's Summit in 2006 and the ACT Women's Plan, the 2007-08 Budget provides little new for women. It is a sad indictment on ACT Women's policy that large chunks of the 2007-08 Statement are identical or very similar to sections of the 2006-07 Statement.

While the above initiatives are to be welcomed, ACTCOSS is disappointed that more resources have not been made available to help reduce violence against women in the ACT: specifically to enable community organisations to provide on-going training and professional education to police and court personnel, and to provide medium-term and transitional housing for women and children exiting crisis accommodation. ACTCOSS also questions the status of the Domestic Violence Assistance Manual. The 2006-07 Budget papers indicated this was being developed, but there is no evidence, in the current Budget papers, that this project is underway or close to completion.

Overall, the Women's Budget Statement lacks vision, gender policy analysis or any analysis of how the Government is meeting its obligations under the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW). The continued placement of the Office of Women outside the Chief Minister's Department keeps women's issues outside of central policy coordination and represents a failure of the ACT Government to meet CEDAW obligations – policy analysis appears to be slipping and the unit is focused on project delivery such as grants programs. For a government that has set a clear human rights agenda it is disappointing that this important human rights convention is being ignored.

Finally, although we welcome support for Indigenous, CALD and low-income women with children who seek to return to work, we submit that one-off grants need to be complemented by a broad range of services to provide ongoing and long-term support for marginalised women with children seeking to both enter and remain in the workforce.

PUBLIC TRANSPORT

Selected Initiatives

- **\$8 million over 2 years to buy new buses**
 This capital funding for the bus replacement program will purchase more accessible 'green' buses.
- **\$8 million over 2 years for a new ticketing system**
 This capital funding will allow ACTION to buy a new ticketing system to replace the existing old technology systems.
- **\$1.25 million in 2007-08 for additional bus services**
 This will allow the ACT Government to increase the number of bus services operating, although it will not restore service levels to those operating before last year's cuts.
- **\$750,000 in 2007-08 to increase bus maintenance**
 This will increase the level of maintenance on ACTION buses, extending the useful life of existing buses.
- **\$445,000 in 2007-08 for Closed Circuit Television (CCTV) on buses**
 This capital funding will pay to install CCTV on more buses, in response to concerns about security, particularly for drivers.

Issues

While the initiatives investing in the public transport system are welcome, they do not address the cuts in services as a result of the 2006-07 budget cuts and the number of services will still be less than previously. In addition, there is no detail in the budget papers about which services will be restored. Given previous statements, we suspect that restored services will be concentrated in high use periods, rather than increasing bus service frequencies during off-peak times when low-income Canberrans are more likely to be the predominant passengers.

Generally, the public transport system is most crucial for people who cannot drive, or afford to drive a car, particularly living in the more distant suburbs of Canberra. Yet ACTION has been cutting the very services that are used more heavily by these groups. This includes off-peak, evening and weekend services, as well as services to the outer suburbs.

In 2006, we saw the largest hike in ACTION bus fares for many years, as well as the largest cut in services. ACTCOSS remains concerned that while the ACT Government claims it supports sustainable transport, people who need to catch buses most are missing out on the opportunity. This year's budget is a start to rebuilding the system, but there is a long way to go.

COMMUNITY SECTOR VIABILITY

Selected Initiatives

- **\$1.6 million in 2007-08 for community facilities maintenance**

Capital funding for works across community, youth, neighbourhood and child care facilities

- **3.75% community sector indexation**

Based on the agreed model of 80% wage cost index and 20% consumer price index, the indexation for ACT Government funded services will be 3.75%. However, some services jointly funded by the Commonwealth may receive less.

Issues

While the Government has made some response to the call for meeting unmet client need in the community services sector, it has not sufficiently responded to the complementary requirement to invest in community sector viability measures. In particular, it has not provided additional support to deliver new or increased service provision, especially having regard to skills shortages in the disability, youth and housing sectors.

The Government commissioned the Community Sector Taskforce Report in 2005, and released it in May 2006. It is disappointing that the Government has not provided funding to implement key recommendations of that report. The viability of the community sector workforce is threatened by the considerable gap in wages and conditions between public and community sector workers, which also diminishes the capacity of the sector to recruit, train and retain an adequate workforce in a tight employment market.

There is no long term planning to support the community sector workforce, nor to support basic needs such as a long service scheme for community sector workers, or to provide industrial advisory services to community organisations. This situation is in some contrast with provisions in the Budget to strengthen the capacity of the public service workforce.

The ACT Government has created the ACT Skills Commission to investigate skills shortages, and it has been stated that this group will include examination of community sector workforce issues. Yet, there is no community sector representative on it and, despite being operational for the best part of a year, we have yet to hear of any community sector organisation being approached for their input.

REVENUE AND PUBLIC ADMINISTRATION

Selected Initiatives

- **\$2.2 million raised over 4 years in new levy on fines**
A new \$10 levy on all traffic infringement notices and court imposed fines will fund service expansion for victims of crime.
- **Cuts to the tax-free threshold for general rates**
The tax-free threshold for property rates will be phased out, resulting in a more regressive tax structure.
- **\$56.2 million in 2007-08 for public service pay rises**
Across all portfolios, this funding will meet the commitments of the ACT Government to changes to public sector employment agreements.
- **\$1.7 million over 4 years for strengthening the public service**
This funding will be used to address the challenges the public service faces in attracting and retaining staff.

Issues

The ACT Government has returned to a strong financial position, again because of the strength of the property market, and the returns on investments, particularly the superannuation account returns. The long term sustainability of this is questionable, although it is acknowledged that the Government is looking at the issues of widening the resource base. That being said, the sudden return to a very large surplus of \$103 million in 2007-08 begs the question as to whether the 2006-07 budget cuts were strictly necessary.

We are particularly concerned with some of the Government's new revenue initiatives. An example is the new levy on traffic infringement notices and court imposed fines for victim's services. Such services are needed, but should not come from revenue raised from hypothecated taxation on an unfair fines system, that has no provision for instalment payments of fines. These levies are regressive and do not take into account the needs of low income earners and people with little disposable income. Similarly, a new proposal to reduce the tax-free threshold on rates will make property taxes more regressive.

The increase in activity within the public sector to increase skills, workforce size, pay-rates and boost retention of experienced staff is welcome. ACTCOSS stated in its Budget Submission that the shrinking of the public sector negatively affected the community sector as more experienced contract managers went to jobs in the Federal sphere. However, the stark contrast between the treatment of public and community sector workers in this budget is disappointing.