



# ACT 2008–09 BUDGET SNAPSHOT

7 May 2008



## 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.

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## OVERVIEW

The ACT remains a jurisdiction with high incomes and social outcomes generally above the national average. Yet among the relatively advantaged citizens of Canberra live a significant minority of people who are doing it tough. Research commissioned by ACTCOSS last year estimated that 13.6% of Canberra households were in the lowest income quintile of the Australian population. While there are proportionately fewer low-income households in Canberra, they are no less disadvantaged, and given the relative wealth around them, the gap may be much greater.

This year's ACT Budget has some important initiatives to address this disadvantage, and to help build the capacity of the ACT community sector that plays a major role in addressing disadvantage and building social inclusion.

There is a significant investment in Canberra's healthcare system, both through new health infrastructure and more funding for healthcare delivery. Of particular note is a large investment in mental health, including nearly \$35 million for new mental health facilities, and more than \$2 million a year for community mental health services.

There is also a large injection of funds for new community facilities, in particular more than \$20 million for the refurbishment of former schools sites, into three community facilities hubs providing 6,600m<sup>2</sup> of community space and six community halls for community use.

In terms of building community sector capacity, \$3.1 million has been earmarked for capacity building projects. Chief among these is the introduction of a community sector portable long service leave scheme, which will assist the sector to retain skilled staff.

There are also notable investments to accompany the opening of the Alexander Maconochie Centre, especially more than \$10 million over 4 years in transitional support for people leaving the facility.

The biggest disappointment in this year's budget is the lack of any significant funding to address housing affordability for low-income households. ACTCOSS had hoped to see additional investment into the public and community housing system to increase the availability of accommodation for those who have few other choices.

## COMMUNITY SECTOR VIABILITY

### Selected Initiatives

- **\$22.6 million over 2 years for the establishment of Community Facilities and Neighbourhood Halls**

This funding will allow the upgrade of former school sites, including three community services hubs with 6,600m<sup>2</sup> of community space and nine community halls.

- **Portable Long Service Leave Scheme and targeted community grants**

DHCS has been allocated \$3.1 million over 4 years to fund these new initiatives to build capacity in community organisations.

- **4% Community Sector Indexation**

Based on the existing indexation formula, high wage increases and inflation have translated into a 4% increase for ACT government service funding agreements in 2008-09.

- **\$624,000 for a Community Support Fund**

This fund will support small contributions for specific events, emergencies or donations.

### Issues

There is considerable investment in the new initiative of establishing community facilities and neighbourhood halls in three former school sites. This will assist many community organisations to achieve co-location on a refurbished site and will create more public access community space which is in great demand at present.

The sector welcomes the combined initiative of a targeted grants scheme and a portable long service leave scheme for the community sector. The Community Sector Taskforce Report commissioned by the government in 2005 strongly recommended these issues be addressed.

The 4% community sector indexation is based on the formula introduced in 2006-07. This will maintain the status quo to enable community organisations to keep up with general wage increases and inflation, but does not address the considerable gap in wage relativities with the public sector. The funding for skills shortages initiatives may present an opportunity for the sector, as might a boost to the Occupational Health & Safety Commissioner's funding. The challenge is for the sector to find a voice at the table and compete with the other industry sectors.

The Community Inclusion Fund will cease in 2010 and there appears to be no replacement scheme.

## HEALTH AND AGEING

### Selected Initiatives

- **\$16.835 million over 4 years for growth in demand for acute care capacity**  
Funding for an additional 20 inpatient beds at The Canberra Hospital.
- **\$4.209 million over 4 years for integrated prevention of chronic disease**  
This funding will contribute to expanding community based services that prevent chronic disease and provide support for people to improve their self management.
- **\$4.209 million over 4 years to workforce initiatives**  
Funding to build workforce capacity for nurses, midwives, allied health professionals and the medical workforce.
- **\$90 million over 4 years for the Women and Children's Hospital**  
The development of a women's and children's hospital that will incorporate the new neonatal intensive care unit, a new paediatric unit, maternity units and gynaecology units.
- **18 million over 3 years for the new Gungahlin Health Centre**  
Funding for the design and construction of a new Gungahlin health centre.
- **\$5 million over 2 years for the refurbishment of Health Centres**  
Will provide for the refurbishment of existing health centres.
- **\$579,000 over 4 years for the expansion of palliative care services**  
This funding will provide for the addition of a Palliative Care/Aged Care Clinical Nurse Consultant and the addition of a Palliative Care/Aged Care Volunteer Coordinator.
- **\$4.209 million over 4 years for the increased demand in older person's services**  
This funding will contribute to the expansion of a range of healthcare services including increased allied health support, enhanced rehabilitation technology and equipment support and the establishment of an Older Person's Dietetic Service.

### Issues

ACTCOSS welcomes the \$300 million funding allocated to health services and understands the importance of increasing health service provision to accommodate demographic change and increases in chronic illness. While ACTCOSS welcomes an increase in services, it is important to develop innovative models of care, expand and change the roles of health professionals and increase funding in promotion, prevention and early intervention (PPEI) strategies.

ACTCOSS is pleased with the funding allocated to the prevention of chronic diseases. However the amount of funding allocated to this initiative is small in

relation to the expenditure for acute healthcare services. ACTCOSS has long advocated for increasing the proportion of health care funding to PPEI strategies that address the social determinants of health and contribute to improving people's health outcomes.

ACTCOSS also acknowledges that very few resources were allocated to primary health care services. This is despite the overwhelming need for Government to address the access and affordability issues associated with primary health care. This need is particularly relevant amongst people experiencing disadvantage who are finding it more difficult to access affordable and timely healthcare.

With an ageing population, placing an increased demand on our healthcare systems, it is imperative that health policy, strategies and services are targeted at addressing this demand. This will require continued expansion of the services available to older people. Particular consideration is needed for the provision of services to older people in aged care facilities, as well as assisting older people to transfer between services and providing them with primary health care services. There is a need for more innovative models of care for older people and a requirement for the ACT Government to continue to work with the Commonwealth to keep older people healthier for longer.

## MENTAL HEALTH

### Selected Initiatives

- **\$23.63 million over 3 years for the Adult Mental Health Inpatient Unit**  
 This budget will fund the construction of a 40 bed unit to replace the existing unit.
- **\$11.16 million over 3 years for the Secure Adult Mental Health Unit**  
 This budget will fund the construction of a 15 bed secure unit at the Canberra Hospital.
- **\$2.01 million over 2 years for the Mental Health Assessment Unit**  
 Design and construction of a short stay mental health unit that will deliver assessment and treatment, as well as providing an alternative environment to stabilise and discharge clients.
- **\$775,000 for the Mental Health Young Persons Unit**  
 Forward design of a 20 bed inpatient mental health facility for young people aged 13-25 at Calvary Hospital.
- **\$8.45 million over 4 years for Mental Health Growth and Promoting Recovery**  
 This initiative addresses identified needs in mental health by enhancing community sector services, consumer and carer participation and access to community mental health care.

### Issues

ACTCOSS welcomes the development of the new inpatient mental health units and secure facility. However we are concerned that consumers, carers and mental health advocates are not being properly consulted during the development of these facilities. We believe that it is imperative that the Government maintains communication with these key stakeholders to ensure that the facility is designed to appropriately meet the needs of mental health consumers.

Additionally, ACTCOSS believes that significant investment in community sector support and rehabilitation services are vital to reduce pressure on inpatient facilities and provide increased quality of care and quality of life for mental health consumers. While we welcome the funding allocated to mental health growth and promoting recovery, further detail is required regarding how the funds will be distributed 'across the continuum'. There is also a need for mental health housing support and community-based psycho-social rehabilitation programs, which were not included within this budget. If the government is committed to a significant reform program for mental health consumers, an increase in community-based service expenditure to at least 30% of the total mental health budget is required.

## HOUSING AND HOMELESSNESS

### Selected Initiatives

- **\$110,000 in 2008-09 to Improve Housing Outcomes for Children living in Public Housing**

This initiative will provide for an assessment of the needs and circumstances of children residing in public housing.
- **\$1.65 million over 4 years for the planning and future development of affordable housing**

Includes initiatives in relation to the new suburbs of Molonglo, North Weston and Gungahlin.
- **\$1.1 million over 4 years (agency funded) for the Land Rent Scheme**

The Scheme allows new home buyers to rent the land component of a house and land package. This assists first-home buyers by reducing their monthly mortgage payments.

### Issues

In 2007, the ACT Government announced its Affordable Housing Strategy and Action Plan, which detailed a range of initiatives to expand the supply of affordable housing in the ACT. ACTCOSS continues to support implementation of the strategy, including the land rent scheme to be implemented in the coming year. However, the Affordable Housing Strategy generally targets moderate income households and home ownership assistance. Given a projected surplus of \$80 million, ACTCOSS had hoped that this budget would commit some resources to increasing housing options for low-income households.

For the second year in a row, the ACT Government failed to redress the significant funding cuts to the ACT homelessness sector in 2006-07. There is no provision to increase the supply of services, support or accommodation for homeless people. ACTCOSS continues to be concerned about the shortage of exit options for families accessing SAAP services and those in housing crisis. It is disappointing that this budget does not allocate funds for capital works related to Housing ACT, community housing or to provide adequate Indigenous housing.

The *Children in Public Housing* initiative appears to recognise that children have specific housing needs and will identify appropriate housing responses. ACTCOSS also believes that work needs to be done to ensure that Housing ACT properties are appropriate for children so that their identified needs can be met. ACTCOSS notes that Housing ACT is projected to run operating deficits from next financial year, estimated to increase over coming years.

## JUSTICE AND CORRECTIONS

### Selected Initiatives

- **\$10.12 million over 4 years for Prisoner and Offender related Crime Prevention Measure**

Includes new programs for offenders whilst in prison and in preparation for release; putting in practice the through-care case management model; and \$1.5 million for post-release supported accommodation.
- **\$4.1 million over 4 years for Health Services in the Alexander Maconochie Centre (AMC)**

This initiative involves an expansion of the existing corrections health system, providing services equal to those available in the general community.
- **\$16.58 million over 4 years for Transitional and Operating Costs for the AMC**
- **\$1 million over 4 years for the Guardianship of Last Resort Program**

The funding will provide for two additional advocates to act as guardians of last resort and emergency guardians for vulnerable members of the community.
- **\$600,000 over 4 years to Legal Aid for a Prisoners Legal Aid Service**

An increase in funding to Legal Aid to allow for establishment of a Prisoners Legal Service at the AMC and the expansion of the duty lawyer service at the ACT Magistrates Court.

### Issues

The funds directed to crime prevention and health services in the new prison are welcomed by ACTCOSS. However, there is little indication in the budget as to who will be providing the rehabilitation and health services to prisoners. We again call on the Government to make clear their plans for involving community organisations in case management and through-care in the AMC and how these organisations will be resourced. Apart from a bus service to the AMC, there is no provision for services to families of people in prison, indicating a lack of whole of government planning for the wider impacts of the prison.

We are also concerned that the funds allocated for post-release accommodation will be insufficient to meet the needs of prisoners on release, at a time when they are particularly vulnerable to the risk of recidivism.

Although we are pleased to see the new funding for public advocates and guardians, ACTCOSS is disappointed that no new or additional funding has been allocated to human rights education, community legal centres or to the ACT Human Rights Commission.

## INDIGENOUS

### Selected Initiatives

- **\$2.5 million over 4 years for Integrated Aboriginal and Torres Strait Islander Family Support Services**

This jointly developed initiative between the Department of Health, Department of Education and Training and Department of Disability, Housing and Community Services will provide targeted, intensive family support services to at risk ATSI families and provide early intervention and diversion for at risk children away from the justice and protection systems.

- **\$134,000 over 4 years for the United Ngunnawal Elders Council and NAIDOC week**

This funding appears to be part of the Community Support funding initiatives. It includes \$30,000 for NAIDOC week 2008, to be hosted in the ACT.

### Issues

ACTCOSS welcomes the increased funding for identification and early intervention for at risk Indigenous children and the joint efforts of various departments in its development. Measures to further involve Indigenous people in the identification of needs of the Indigenous community and the provision of services and programs are also positive. For this reason we support the apparent increase in funding to the United Ngunnawal Elders Council.

Aside from the Family Support Services, however, there is little additional funding for Indigenous specific services in this year's budget. There is still a need to address the high rate of Indigenous involvement in the criminal justice system and further measures to make mainstream services more culturally appropriate for Indigenous people.

Whilst saying this, we do recognise and applaud the additional \$10.8 million allocated to the Indigenous Residential Alcohol and Other Drug Rehabilitation Facility and the almost \$4 million of Indigenous Education funding aimed at improving literacy and numeracy outcomes for Indigenous students that were part of the second appropriation in 2007-08.

## DISABILITY

### Selected Initiatives

- **\$1.61 million over 4 years for students with disability**  
 This funding will contribute to meeting the needs of increasing numbers of students and young children in government pre-schools and schools.
- **\$612,000 over 4 years to go towards the physical activity targeted population program (covering both ageing and disability)**  
 This funding will contribute to the development of an ACT Disability Inclusion Plan and the delivery of associated programs in relation to sport, recreation and physical activity.
- **\$304,000 in 2008-09 for an equipment loan service for children and young people**  
 This funding will provide access to a variety of equipment for children with developmental delays and disabilities.
- **\$300,000 in 2008-09 towards the needs of students with disabilities at CIT**  
 This funding includes the provision of specialised equipment to support the increasing number of students with disabilities at CIT.
- **\$94,000 in 2008-09 to conduct a feasibility study**  
 To explore the development of a special purpose facility for Disability ACT clients with highly challenging behaviour.

### Issues

ACTCOSS notes that a sizeable amount of funding was provided in the 2007-08 Budget for services for people with a disability. The new funding provided in this year's Budget is less substantial, and despite the provisions in 2007-08, we must express concern that the overall funding provided is not sufficient to meet identified unmet need. This is particularly worrying because the number of people with disabilities is increasing.

Moreover, this Budget does not allocate resources to support the increasing number of family carers supporting their relatives, particularly those with high and complex needs.

The need for a special purpose facility for clients with highly challenging behaviour is well established. It is therefore disappointing that funding is provided for a feasibility study only, and not to actually build the facility. It is also disappointing that access to the facility is apparently to be limited to clients of Disability ACT.

## CHILDREN, YOUTH AND FAMILIES

### Selected Initiatives

- **\$845,000 over 4 years for the West Belconnen Children and Family Support Service**

This provides for an ongoing support service in West Belconnen that will facilitate access for disadvantaged families with children experiencing poor educational attainment and child development, poor health, family breakdown, poor parenting and domestic violence.

- **\$250,000 in 2008-09 for forward design of a Child and Family Centre in Belconnen**

- **\$1.705 million over 4 years for Working with Vulnerable People Checks**

This initiative will develop a regulatory system to screen people who work with vulnerable people, specifically children, young people, and vulnerable adults.

### Issues

ACTCOSS welcomes these initiatives, which will strengthen support for children, young people, and families, particularly those who most need a range of support services.

The provision of funding for the forward design of an inpatient mental health facility for young people aged 13-25 years (see Mental Health section) is also welcome, as is the initiative to provide integrated Aboriginal and Torres Strait Islander Family Support Services (see Indigenous section).

However, given the large and growing number of families under stress in the current tight economic circumstances in the ACT, ACTCOSS believes that more resources need to be allocated to family support services throughout the ACT, with a particular focus on early intervention.

It is also disappointing that there was no focus on better meeting the needs of carers, who as a group are more susceptible to having chronic health conditions and depression, and more likely to live in poverty than people without caring responsibilities. Young carers are a group who are in particular need of greater support.

## WOMEN

### Selected Initiatives

- **\$90 million for a Women & Children's Hospital over 4 years**  
The Hospital will incorporate a Neonatal Intensive Care Unit, Paediatric Unit and Maternity Unit at TCH as well as gynaecological services, and fetal medicine. The \$90 million will include \$4 million in 2008-09.

### Issues

While women make up over half the ACT population, new women specific initiatives appear to add up to little over \$4 million. Once again in 2008-09, there is a lack of gender budget analysis or reference to our international obligations under the Convention on the Elimination of all forms of Discrimination against Women.

The Women's Statement points to a number of initiatives targeted at families, including the West Belconnen Children & Family Support Service and the Integrated Aboriginal and Torres Strait Islander Family Support Services. While issues targeting families do impact on women, there is a need to develop sophistication in our analysis around these issues (hence the need for gender budget analysis).

The Women and Children's Hospital, which will see services co-located, is a welcome initiative although we note that the majority of the \$90 million in funding will be in future years.

It is also positive to see some initiatives in industries that are highly feminised (for example, investment in the nursing and midwifery program and portability of long service leave in the community sector). Some of the training programs (which are not strongly present in the women's statement) are encouraging, and support some of the specific ongoing programs in areas such as VET that do have a focus on women in the workforce.

## MULTICULTURALISM, MIGRANTS AND REFUGEES

### Selected Initiatives

- **\$163,000 over 4 years for primary care services at Companion House**  
 This funding will provide for a Registered Nurse to work-part time at Companion House to assist with the medical program for refugees and humanitarian entrants.
- **\$416,000 over 4 years for the Multicultural Grants Programs**  
 This funding will provide grants for the Multicultural Grants Program, the Multicultural Radio Grants Program and the Multicultural Community Language Schools Grant Program.
- **\$416,000 over 4 years for Multicultural Festival enhancement**  
 Funding will provide additional Government support to the Multicultural Festival.
- **\$1.861 million over 4 years for water concessions**  
 This funding will contribute to the extension of eligibility for the water concession to all Temporary Protection Visa (TPV) holders and asylum seekers.

### Issues

ACTCOSS welcomes initiatives that promote a supportive community for people from culturally and linguistically diverse (CALD) backgrounds and provide culturally appropriate service provision. ACTCOSS has long advocated for the needs of refugees and asylum seekers and supports the budget initiatives for funding toward primary care services at Companion House and the extension of Water Concessions.

However, further holistic services are required to assist refugees and asylum seekers and to ensure that they are supported during their transition. The delivery of such services needs to be carried out in a coordinated way across Government Departments.

In addition to this ACTCOSS also advocates for the provision of culturally appropriate services to people from CALD backgrounds, with a requirement for service providers to tailor their service provision to the individual, rather than providing a one-size-fits-all approach.

## EDUCATION AND TRAINING

### Selected Initiatives

- **\$3.5 million in 2008-09 to establish Early Childhood (pre-school to year 2) schools in Scullin, Narrabundah, Lyons and Isabella Plains**  
The schools will integrate services such as child care, family support and other services that support children's learning, health and well-being.
- **\$1.895 million over 4 years for additional staff for the Early Childhood Schools (the Best Start in Life)**  
Intended to coordinate delivery of integrated services.
- **\$977,000 over 4 years for literacy in schools**  
The funds will provide professional development to literacy and numeracy coordinators in all public schools.
- **\$802,000 over 4 years for continuation of the SPICE Program**  
To be offered to all 12-15 year olds who are at risk of dropping out of school before completing Year 10.
- **\$402,000 over 4 years for additional School Equity Funds**  
Initiative will support students in schools identified as serving lower socio-economic communities. The funds will address the effects of disadvantage on student learning, especially in literacy and numeracy.
- **\$4.17 million over 4 years to meet the demand for vocational training for Australian Apprenticeships**
- **\$2.5 million over 4 years for additional vocational educational and training hours at the CIT**
- **\$3.44 million over 4 years to support the transition of Secondary College students to careers programs and vocational learning**
- **\$1.04 million over 4 years for a Customised Student Support Program at CIT Vocational College**  
The program will provide individualised study programs and support for students with complex needs.
- **\$300,000 over 4 years to provide equipment for the growing numbers of CIT students who need specialised equipment to undertake study**

### Issues

ACTCOSS applauds the ACT Government for its attention to the needs of students who are falling behind in the education system. The focus on areas such as increasing literacy and numeracy, and addressing the effects of disadvantage on student learning, will address key areas of social inclusion.

The Best in Life initiative only allocates 'some' resources for disadvantaged children. ACTCOSS is concerned that this may not meet the needs of the large

number of families experiencing disadvantage and encourages the ACT government to allocate adequate funding to ensure that all children have access to these supports.

Although there has been an increase in the number of young people accessing alternate education programs for disadvantaged young people (ie those engaged in the Care and Protection system and those excluded from mainstream education), there has not been an increase in funding for these providers. ACTCOSS also strongly encourages the Government to ensure that staff of these programs are able to access the training made available to teachers in public schools through these initiatives.

## RESPONDING TO CLIMATE CHANGE

### Selected Initiatives

- **\$12.9 million over 4 years for the ACTION Bus Network 08 project**  
This initiative provides for additional and more frequent bus services.
- **\$49.5 million over 4 years for ACTION Bus Fleet replacements**  
Including 100 new accessible buses.
- **\$1.8 million over 4 years for Water Concessions to vulnerable citizens**  
This initiative will extend the eligibility for concessions to Centrelink Health Care cardholders, asylum seekers and Temporary Protection Visa holders.
- **\$1.6 million over 4 years for Carbon Neutral Schools**  
Funding will go towards assisting both government and non-government schools to become carbon neutral.
- **\$4 million over 4 years for Switch Your Thinking programs**  
Extend and expand existing programs aimed at engaging, educating and invigorating residential, business, government and school sectors to reduce water usage, energy consumption and waste production.

### Issues

ACTCOSS welcomes the investment in public transport, particularly the new 100 accessible buses, which will provide greater access to public transport for people with disabilities. We also support the provision of additional bus services, however we note that there is no detail about the frequency and times of additional services. We are concerned that additional services will be concentrated in peak periods, and will not be of as great a benefit to low-income and disadvantaged Canberrans. These groups require additional services during off peak periods, evening and weekends, as well as services to the outer-suburbs.

We also support the initiatives offering concessions on water bills for health care cardholders and other vulnerable groups. Similarly programs to teach and encourage groups about reduction in energy consumption are welcome, particularly in relation to behavioural adaptation. However, we would also point out that low income Canberrans often lack the financial resources or ownership of their homes to make changes to domestic infrastructure. Further investment is required to assist people experiencing disadvantage to modify their homes.

## REVENUE

### Selected Initiatives

- \$15.8 million over 3 years for a new stamp duty exemption for pensioners downsizing their homes**

This initiative extends to people on aged pensions, disability support pensions and veterans gold cards, to assist them to move to more appropriate housing commensurate with their needs. It is time-limited for 3 years.
- \$15.2 million over 4 years to support a lift in the income cut-off for the home buyer concession scheme**

The household income cut-off to access stamp duty discounts on low-cost properties will be increased from \$100,000 to \$120,000.
- \$28.7 million over 4 years to increase the payroll tax threshold**

The payroll tax-free threshold will increase from \$1.25 million to \$1.5 million, to support the growth of small to medium businesses.

### Issues

These three initiatives alone have cost the ACT Government nearly \$60 million over 4 years in foregone revenue. There is a logical argument to assist pensioners to downsize their houses, possibly allowing some to access some of the capital in their homes. However, while households earning \$100,000-\$120,000 may be experiencing some difficulties in entering the housing market, the costs of this initiative could have been better spent on lower income groups. The biggest tax cut has been reserved for larger businesses, which in a tight employment market is unlikely to have any significant effects on employment or other social benefits.

It is unfortunate that there seems to have been little overall analysis of Canberra's taxation system in making cuts to the ACT Government's revenue streams. There are both more regressive and more economically inefficient taxes that might have been better candidates for tax cuts. While ACTCOSS has generally advocated ensuring that the ACT Government has sufficient revenue to meet the needs of the population, we also advocate that a full consideration of the social and economic impacts of the taxation system be investigated before tax policies are changed.

A range of taxes continue to be indexed to the Wage Price Index, including those with a more regressive impact such as the Fire and Emergency Services Levy, the Utilities Tax, and the fixed component of General Rates. While this assists the Territory in ensuring revenue keeps pace with the costs of government services, it also places a disproportionate burden on low and moderate income households.