



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2016-17

MR BRENDAN SMYTH MLA (CHAIR), MR JAYSON HINDER MLA (DEPUTY CHAIR), MS JOY BURCH MLA, MR STEVE DOSZPOT MLA

COMMUNITY AND INDUSTRY REPRESENTATIVE GROUPS SURVEY

SURVEY OF COMMUNITY AND INDUSTRY GROUPS ON THE
ACT BUDGET 2016-17 PRESENTED BY THE ACT GOVERNMENT ON 7 JUNE 2016

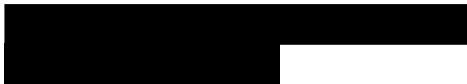
If you wish to respond to this survey, please return it to committees@parliament.act.gov.au by **3.00pm Friday 10 June 2016**. If there is insufficient room for any of your comments, below, please append additional comments.

1. Full name of group/organisation:

ACT Council of Social Service (ACTCOSS)

2. Name of contact person for this survey and their telephone number and email address:

Susan Helyar, Director



3. Please provide a brief overview of your organisation/group and its purpose.

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' vision is to live in a fair and equitable community that respects and values diversity, human rights and sustainability and promotes justice, equity, reconciliation and social inclusion.

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 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).

4. Has your organisation/group developed a written analysis of the ACT Budget that it would like to submit to the Committee?

Yes (If yes, please email it to the Committee Secretariat with your completed survey.)

No

5. **Please list, in order of priority, your three key priority areas regarding the ACT Budget 2016-2017 (you can expand on these in Question 6):**
- a. Social Inclusion and Equality
 - b. Taxation Reform
 - c. Long term approach to social infrastructure

6. **Please provide detail of your views on the ACT Budget in relation to your three priority areas?**

a. Social Inclusion and Equality

The ACT Council of Social Service supports the overall direction of the ACT Budget for 2016-17 and its expanded social inclusion and equality statement. New funding to respond better to the needs of people exposed to domestic and family violence, more funding for mental health, drug and alcohol treatment, emergency and trauma health services, justice programs and well targeted resources to improve education outcomes for students with disabilities and other students not well served by our schools are welcome.

ACTCOSS welcomes the introduction of the Safer Families levy and the broad suite of Safer Families initiatives. The prevalence and widespread negative impacts of domestic, family and sexual violence is on one of the most pressing social and economic issues of our time and we welcome the government's elevation of this issue into a core policy concern. The creation of the levy, in particular, should ensure a transparent, sustainable, ongoing pool of funds to cover programs and initiatives aimed at addressing the impacts of domestic and family violence in the ACT. Family and domestic violence is a whole-of-community problem and demands a whole-of-community response. The levy secures community ownership and provides certainty in funding for responding to the needs of people affected by domestic and family violence. ACTCOSS congratulates the ACT Government for the strong leadership signalled by the introduction of this revenue initiative.

However, ACTCOSS has a number of ongoing concerns, detailed more fully in our Budget Snapshot document (attached) including lack of attention to increasing the momentum around disability rights, ongoing gaps in legal assistance service funding, lack of conservation funding and lack of measures to assist in rental affordability.

The lack of measures to assist in rental affordability is a significant concern as affordable and accessible housing is fundamental to address disadvantage and realising social inclusion and equality. The measures in this budget to renew public housing stock are welcome and will address accessibility concerns and energy costs for residents who have been housed in property that require significant personal expense to heat and cool.

However, we note that there is no commitment to growing public housing stock in this Budget despite there currently being an average wait time of over a year (369 days) for people in the priority category of the ACT public housing waiting list.

Land release measures introduced in this Budget are also welcome but will not, on their own, effectively address the significant housing costs faced by people whose incomes put them in the bottom two income quintiles. We understand that a whole-of-government response to affordable housing is currently being developed and strongly urge the government to consult with the sector in designing this approach. The not-for-profit community sector has an instrumental role to play in delivering affordable housing because of its capacity to deliver properties that are cheaper than market rents and with tenancy management strategies that maximise successful, sustainable tenancies.

We seek further detail from the government as to any intentions and plans for delivering an increase in public housing and social housing stock which we believe is required to meet the significant demand for affordable rental housing in the ACT community.

b. Taxation reform

Progress in implementation of significant tax reform is outlined in the Budget, and welcomed by ACTCOSS. Securing the revenue base will ensure that the ACT Government can both fulfil its obligations to residents and meet the aspiration of being a liveable city for everyone. Moving from transaction based taxes to wealth based taxes is welcomed. We support aligning charges for rates so that units are charged at the same level as standalone housing.

However, ACTCOSS is concerned that cost increases in rates will be passed on to tenants by landlords via higher rents. This risk should not stop effective tax reform. However, it does make even more urgent the need to invest in new affordable housing and private rental assistance products. This investment will ensure that after paying their rent, families on low to moderate incomes have enough money left over to meet the costs of other essentials like food, clothing, education expenses, health care and keeping their car on the road.

In relation to revenue initiatives, ACTCOSS does welcome the introduction of the Safer Families levy. As noted above, we believe that the creation of this levy should ensure a transparent, sustainable, ongoing pool of funds to cover programs and initiatives aimed at addressing the impacts of domestic and family violence in the ACT. Family and domestic violence is a whole-of-community problem and demands a whole-of-community response. The levy secures community ownership and provides certainty in funding for responding to the needs of people affected by domestic and family violence.

However, we also note that revenue measures, such as the Safer Families Levy, increases to tobacco excise, the Victims Services Levy, Ambulance Levy, and the Driver's License fees, are flat taxes impacting on people with low incomes proportionally more than people with higher incomes. They will likely increase cost of living pressures for people on low incomes.

In our submission to the concession review ACTCOSS had recommended increased access to driver license concessions. We are disappointed therefore that not only have these not been delivered, but the costs of licenses have instead increased.

The Quinlan Tax review recommended that the regressive impacts of flat taxes, such as those outlined above, should be addressed via refinements in the concessions scheme, which ACTCOSS would support.

ACTCOSS does welcome the continued funding, and increases in line with population growth, for concessions more generally. Concessions are a vital part of the tax and transfer system, as recognised in the 2012 Taxation Review. ACTCOSS supports continued commitment to and ACT Government funded concessions scheme and is on the whole supportive of the move to increase the age threshold for eligibility for senior's concessions.

However, we note that there is an assumption on behalf of government that older people who wish to work will find jobs. We echo concerns from COTA, the peak body working in this area, that older people face significant discrimination barriers in the workforce. Further, in some sectors, jobs just do not exist that would enable people to delay their retirement. The reality of older people's experience in the workforce and the significant and growing risks for older women in particular, facing poverty and homelessness in older age, need to be taken into account when assessing the adequacy, fairness and consistency of concessions. An alternative approach advocated by COTA of introducing means testing for people affected by this measure may be more effective and should be considered instead.

ACTCOSS welcomes the Conveyance Duty – Disability Duty Concession Scheme. This initiative will effectively address an anomaly in the first home owner's grant which has, until now, disadvantaged people with disability from being able to access this grant. While we welcome Conveyance Duty – Disability Duty Concession Scheme we do not support its use towards the creation of further congregate housing models in the ACT. Congregate housing undermines the principles encoded in the United Nations Convention on the Rights of Persons with Disability.

c. Long term approach to social infrastructure

The Budget considers which sectors are the 'engine rooms of the ACT economy' but no substantial consideration is given to community services as a sector that is:

- A larger employer than construction or tourism
- An enabler of human capital development (often addressing gaps and failures in the health and education sectors)
- An essential partner for government to deliver on its obligations to provide an effective social safety net and a strong civil society.

Over the coming 12 months, ACTCOSS expects to see investment in the community services sector commensurate with its critical place in our local and regional economy, and comparable to the investment in promoting growth in tourism and education sectors.

The investment in light rail (with half the funds up paid front and an ongoing investment over twenty years) demonstrates a willingness to take a long term approach to infrastructure development. ACTCOSS is looking for a similar commitment to long term funding certainty in essential social infrastructure through stable, outcomes-based funding arrangements that maximise the capacity of organisations to invest long term in workforce development, evaluation, research and service model reform.

In practice this means a commitment to procurement contracts of no less than 5 years and including appropriate provisions for evaluation and program adjustment as and when needed. It also requires a system of indexation arrangements that are adequate to allow the community not-for-profit sector to meet the changing needs of our community. By which we the increased demand for services, as well as increased community expectations regarding

skills and qualifications of staff. Indexation arrangements for the community sector must address the costs involved in recruiting and retaining highly skilled staff as well as the costs of providing the professional development needed to upskill existing staff.

7. Are there any other particular issues with the ACT Budget that you would like to bring to the Committee's attention?

Yes No

a. If yes, please comment/attach further details:

Please see attached list of questions

8. Did you provide a budget submission to the ACT Government?

Yes (go to question 9) No (go to question 10)

9. Do you think that the ACT Budget has addressed the issues raised in your submission?

Yes No

a. If yes, please comment

As noted above, the ACT Council of Social Service supports the overall direction of the ACT Budget for 2016-17. New funding to respond better to the needs of people exposed to domestic and family violence, more funding for mental health, drug and alcohol treatment, emergency and trauma health services, justice programs and well targeted resources to improve education outcomes for students with disabilities and other students not well served by our schools are welcome. We are also pleased to see funding commitments to expanding the existing bus network and to address compliance with the Disability Discrimination Act.

ACTCOSS has a number of ongoing concerns, including lack of attention to increasing the momentum around disability rights, ongoing gaps in legal assistance service funding, lack of conservation funding, indexation of community service funding not matching cost increases, and lack of measures to assist in rental affordability. These concerns have been expanded on in brief above and more fully in our Budget Snapshot (attached).

10. Does your organisation/group wish to give its views in a Committee public hearing on Friday 17 June 2016, at the Legislative Assembly, London Circuit, Canberra.

Yes No

If you indicate yes, and the Committee selects you to appear at the hearing, the Committee Support Office will contact you by close of business Wednesday 15 June 2016 to confirm arrangements. Please note that the Committee may not be able to hear from all groups/organisations.

Thank you for contributing to the inquiry.

When returning their survey, ACTCOSS also provided its annual *Budget Snapshot* for the community sector. This document is available on the ACTCOSS website:

<http://www.actcoss.org.au/publications/advocacy-publications/act-2016-17-budget-snapshot>.