



2021-22

Pre-Budget Submission

JANUARY 2021



Contact

Claerwen Little | National Director | UnitingCare Australia

Level 3, 42 Macquarie St
Barton ACT 2600
(02) 6249 6717
claerwenl@nat.unitingcare.org.au
unitingcare.org.au

About UnitingCare Australia

UnitingCare Australia is the national body for the Uniting Church's community services network and is an agency of the Assembly of the Uniting Church in Australia.

We give voice to the Uniting Church's commitment to social justice through advocacy and by strengthening community service provision.

We are the largest network of social service providers in Australia, supporting 1.4 million people every year across urban, rural and remote communities.

We focus on articulating and meeting the needs of people at all stages of life and those that are most vulnerable.

Contents

Overview	1
Budget Priorities	2
Older Australians and the Aged Care system.....	2
Adequate income and a strong social safety net	6
A fairer tax system to fund services and reduce inequality	12
Justice for First Peoples.....	13
Accessible and affordable community services.....	17
Climate justice	22
References	23

Overview

UnitingCare Australia welcomes the opportunity to make a submission ahead of the 2021-22 Federal Budget.

UnitingCare Australia is the national body for the Uniting Church's community services network and is an agency of the Assembly of the Uniting Church in Australia. We give voice to the Uniting Church's commitment to social justice through advocacy and by strengthening community service provision.

With 1,600 sites, we are one of the largest networks of social service providers in Australia, supporting 1.4 million people every year across urban, rural, and remote communities. The UnitingCare network has over 50,000 staff and 30,000 volunteers. We focus on articulating and meeting the needs of people at all stages of life and those that are most vulnerable.

The 2021-22 Budget presents an opportunity to enact policies that build a fairer, more equitable and economically just society.

It is an opportunity to truly secure Australia's future.

This submission identifies key areas that we believe should be prioritised in the Budget to put Australia on the path toward a more sustainable, equitable and secure future. We welcome the opportunity to continue working with Government so that no-one is left behind in the economic recovery.

Budget Priorities

Older Australians and the Aged Care system

UnitingCare Australia continues to commend measures – both immediate and long term – to ensure that every older person is able to live well, as part of their community, with dignity, and in a place of their choosing.

UnitingCare Australia acknowledges that there has been additional investment to increase access to home care, however we believe that the Government must put in place a plan to resource uncapped supply, so that no older person in Australia faces the prospect of being unable to access the care they need when they need it.

The following priorities have been developed with the Australian Aged Care Coalition, an industry-led group that believes the Australian Government's response to the Final Report of the Royal Commission into Aged Care Quality and Safety should include a commitment to a long-term vision for the design of the aged care system comprising an implementation plan for remediation, transition and transformation with a timeline and appropriate institutional arrangements.

UnitingCare Australia believes that current funding arrangements foster an over-reliance on residential aged care, while at the same failing to reflect the actual costs of providing quality care and basic services. As providers to regional and remote and special needs communities, including First People's communities, we see how significant disparities persist in terms of access and inclusion.

As the Aged Care Royal Commission has highlighted, the current system does not adequately cater to the different care needs of older Australians with diverse needs. If our aged care system is to meet the expectations of people with diverse needs, services must be funded to:

- Recognise the differential costs of service provision where they exist;
- Address communication and other barriers;
- Respond to intersectionality, cultural safety and trauma where appropriate;
- Enable flexible service delivery models; and
- Be accountable.

Existing funding arrangements do not reflect the costs of delivering services that meet these various needs. Our aged care system needs immediate and targeted investment as set out in the priorities below.

Accountability and human rights objective | Regulatory and service frameworks support older people to exercise their human rights and ensure both government and providers are accountable for outcomes within the system.

- (A1) Legislate the right to sufficient high quality and safe aged care and support in a way that binds both providers and government to safeguard this right.
- (A2) Collect and publish casemix/risk adjusted performance indicators, including outcomes such as quality of life measures and inputs such as staffing.
- (A3) Fund local care finders and navigation assistance, especially for vulnerable people.

Home care objective | People can choose to age at home with comfort and dignity.

- (H1) Set out a two to three year schedule for releasing enough home care packages to clear the queue, and uncap supply thereafter.
- At the same time: (H2) combine home care and CHSP into a single, enablement-focused program with scalable assessment and reassessment;
- (H3) create a new allocation system that more closely aligns funding to an individual (and carer/s) needs;
- (H4) align maximum package values with subsidies for residential care; while
- (H5) developing policies to carefully manage the shift to caring for people with more complex needs outside of residential care, including adequate and accessible respite services.

Residential care objective | People who choose or need residential care have high quality and safe options that allow them to continue to live with comfort and dignity.

- (R1) Introduce staffing benchmarks/requirements that take into account all staff (including nurses, PCWs and lifestyle staff), different care models and resident needs/acuity with appropriate flexibility and associated disclosure requirements.
- (R2) Ensure allied health is appropriately funded such as through separate Medicare items.
- (R3) Set a timetable to remove the ACAR and assign entitlements to older people to support increased choice, while also creating clear access standards and policies for ensuring sufficient supply for vulnerable groups and thin markets.

Workforce objective | Aged care organisations can attract and retain suitable staff from a workforce with the attributes needed to provide the care and services that the community expects.

- (W1) Immediately fund improved and expanded workforce training and invest in a campaign to attract more workers to aged care to meet the demand created by increased access and higher levels of available support.
- (W2) Introduce a PCW registration scheme with mandatory Cert IIIs (after completing current curriculum reviews), ongoing CPD, recognition of prior learning and provisional registration.
- (W3) Commence a joint negotiation between the Commonwealth, providers and unions to ensure that workers are appropriately remunerated and aged care salaries are competitive with community and health sector equivalents.

Transparent and sustainable funding objective | A stable funding system that transparently and independently links funding to provider costs, including the cost of attracting and training a skilled workforce and accessing capital, and supports innovation and productivity.

- (T1) Legislate for independent and transparent price determination based on regular costing studies for all types of care, ensuring that prices capture the funding implications of changes in standards and community expectations and that funding mechanisms support protections for thin markets and special needs groups, including people with low financial means.
- (T2) As immediate measures, increase the basic daily fee by \$10 per resident per day, link indexation to award wage changes and cost, and prospectively fund any significant changes in care delivery and compliance.
- (T3) Ensure a fair balance of contributions between government and consumers, including consistency in contributions between types of care, equitable means testing approaches and support for home equity release (e.g. a more attractive Pension Loans Scheme) and payment through superannuation products such as annuities and longevity insurance.

Inequities of access and outcomes are particularly pronounced among older First Peoples. First Peoples are underrepresented in aged care programs, despite needing access to services and support at a younger age due to the cumulative effects of health and social disadvantage and intergenerational trauma. While remote communities face specific challenges related to their geographic isolation, such as limited workforce and sparsity of services, older First Peoples in regional and metropolitan locations also experience barriers to accessing aged care services that meet their cultural and social needs and preferences.

First Peoples may be reluctant to engage with mainstream service providers based on a lack of cultural safety and past negative experiences involving inconsistent, unreliable or cultural insensitive service provision. Moreover, of those First Peoples who receive Commonwealth Home Support Program packages, there is an under-representation of Level 3-4 packages, despite the higher proportion of First Peoples elders with very complex needs.

Concerted action is also needed to improve the aged care system for First Peoples. This includes:

- Increasing funding for specialist, targeted aged care services for First Peoples;
- Expanding culturally safe, community-based aged care programs that provide services for our First Peoples' elders, with a particular focus on increasing access to higher levels of package care (Level 3-4);
- Funding initiatives to improve the cultural safety and social responsiveness of mainstream aged care service providers, such as funding for Aboriginal community-controlled organisations to deliver regular cultural competency training;
- Expansion of the National Aboriginal and Torres Strait Islander Flexible Aged Care Program (NATSIFACP), so that more First Peoples have the option of accessing Indigenous-specific services if this is their preference, in metropolitan and regional areas as well as the rural/remote areas where NATSIFACP funding is currently directed; and
- Increasing funding for advocacy services and First Peoples support workers to assist older First Peoples to access and navigate the aged care system.

Adequate income and a strong social safety net

UnitingCare Australia believes income support payments should be accessible to those who need it and paid at a level that ensures human dignity and an adequate standard of living.

Our social security system provides an important shield against poverty and deprivation, as well as playing a critical role in supporting a just, inclusive and compassionate society.

In this year's Budget, we call on the Government to strengthen our income support and family payments system. We need to move beyond temporary measures and ensure durable changes that strengthen our social safety net into the future.

We must ensure that our social security system accommodates the realities of the contemporary labour market, including the growth in insecure work, underemployment and fluctuating incomes, along with the changing composition of households and challenges to the economic security and wellbeing of families.

In order to deliver this robust social safety net, we call on the Government to invest in three priority areas:

1. Implement a permanent, adequate, increase to income support.
2. Rebalance the social security system to ensure the welfare of the child is a primary focus and families are adequately supported.
3. Reinstate the concept that dignity and economic security are the central objective of the social security system.

1. Implement a permanent, adequate, increase to income support

UnitingCare Australia joins with Anglicare Australia, Catholic Social Services Australia, and the Salvation Army in supporting a permanent increase to the base rate of JobSeeker.

The failure to provide a permanent and significant increase in income support places many individuals and families at risk of entrenched poverty.

It is imperative the 2021 Budget improves the adequacy and indexation of income support payments. The introduction of the Coronavirus Supplement and top-up payments reflected an implicit acceptance that existing payments were inadequate.

Prior to the pandemic, working age payments for people on income support fell well-below the poverty line on any measure, with Australia ranking second-worst in the OECD for poverty rates among the unemployed.¹ Income support payments had failed to keep pace with rising costs of living, with no increase to unemployment payments in over two decades. Inadequate indexation has seen payments and allowances fall behind wages growth and the costs of essential services, with the resulting poverty acting as a barrier to employment and participation.

Returning payments to pre-COVID levels would have wide-ranging and damaging effects across the community: compounding financial stresses, deepening inequality, increasing child poverty, and impairing the long-term health and wellbeing of individual and families and the communities

in which they live. Given ongoing unemployment and underemployment and the long-standing shortage of social and affordable housing, a return to pre-COVID payment levels is likely to dramatically escalate the demand for frontline services and contribute to an upsurge in housing stress and homelessness.

A permanent increase to income support will provide a buffer against future shocks and is one of the best ways to support economic recovery, contributing to job creation, helping to raise wages, increasing aggregate demand via consumer spending, and boosting regional economies.

RECOMMENDATIONS

- Permanently increase the base rate of Jobseeker and related payments to prevent people living in poverty.
- Review the adequacy of the Disability Support Pension, and either increase the base rate or provide an additional disability and illness supplement that considers the additional costs of living with disability.
- Index income support payments to wages and price increases.
- Increase the maximum rate of Commonwealth Rent Assistance by 50 per cent to more adequately reflect the private rental costs for low-income tenants.
- Reinstate the Parenting Payment Single until the youngest child turns 16, and ensure it is set at a rate that reflects the number of children and added costs of single parenthood.
- Revise income thresholds and taper rates to remove financial disincentives to moving from income support into employment.
- Unfreeze indexation on eligibility thresholds for income support payments.
- Establish an independent payments review commission or tribunal to regularly assess the adequacy of all social security payments and indexation arrangements.

2. Rebalance the social security system to ensure the welfare of the child is a primary focus and families are adequately supported

The core purpose of our family payment system is to protect against child poverty. In Australia today, one in six children live below the poverty line. The rates of poverty are highest among single parent households, with more than one in three (39 per cent) of children in lone-parent families living below the poverty line. Since 2012, the poverty rate for children in lone parent families has gone up from 36.8 to 39 per cent.¹⁰

Raising the rate of JobSeeker and Parenting Payments would go some way toward alleviating child poverty and ensure the welfare of the child is the primary focus of this support. We need a holistic approach that includes strengthening the family payment system to ensure low-income families are adequately supported to raise children and maintain an acceptable standard of living.

Further, the current child support system is overdue for reform. The child support system was introduced in 1988 and has undergone several reviews since. The most recent review was conducted in 2015/16 as directed by then-Minister for Social Services, the Hon Kevin Andrews MP. Three of the 25 recommendations have been implemented, with a further 15 accepted by the Government in their 2016 response.

UnitingCare Australia calls on the Government to implement the remaining recommendations, prioritising two key outcomes:

Recommendation 5 | The Government agrees to a review of the following components of the child support formula:

- a. The self-support amount and the indexation mechanism;
- b. The cost of children table and indexation mechanism; and
- c. The use of gross income levels.

Recommendation 20 | The Government supports the Australian National Audit Office (ANAO) conducting a performance audit of the Child Support Program's legal enforcement procedures, acknowledging that the ANAO audit program is determined by the Auditor-General. The Government agrees that legal enforcement action is an important enforcement measure to help address more entrenched instances of non-compliance.

RECOMMENDATIONS

- Implement Recommendation 5 and Recommendation 20 from the 2015/16 review of the child support system.
 - Revise family payments to ensure they are adequate and reach those that need it.
-

3. Reinstate the concept that dignity and economic security are the central objective of the social security system

Abolish compulsory income management

UnitingCare Australia urges the Government to scrap the compulsory cashless debit card and other forms of compulsory income management. The majority of those subject to income management are First Peoples and participating on a compulsory, rather than voluntary, basis.² Beyond some limited success where people have entered into the scheme voluntarily, there is no evidence of meaningful or sustained benefits.^{19,3,4,5,6} The most detailed evaluation of income management in the Northern Territory found no improvement in community wellbeing, no evidence of greater financial autonomy for individuals, an increased sense of disempowerment and dependence on welfare, and a general failure to meet the policy's stated goals.²⁴ There is also no compelling evidence that the cashless debit card has been effective.⁷

As an alternative, we encourage the Government to redirect funding into productive programs and services developed in partnership with communities, such as the remote employment program for First Peoples proposed by the Fair Work Stronger Communities Alliance. Where individuals genuinely volunteer to participate in some form of income management, they should have access to an opt-in scheme designed in consultation with communities, and augmented by financial counselling, employment support and other wrap-around services.

RECOMMENDATIONS

- Abolish compulsory income management, allowing people to leave existing schemes or to voluntarily continue on the cashless debit card or other forms of income management, and ensuring those who voluntarily opt into schemes are supported by wrap-around services.
-

Wind back conditional welfare and compliance measures

Australia has one of the most compliance-heavy social security systems in the OECD.⁸ Access to income support is conditional on compliance activities. The suspension of these compliance activities during the earlier phase of the pandemic meant that people were able to access payments on the basis of hardship, without facing the prospect of financial penalties.

We urge the Government to permanently wind back participation requirements for people who are unemployed. This includes a range of programs which target specific regions or population groups, such as compulsory income management, the cashless debit card, and the Community Development Program. These programs have failed to improve employment outcomes and have resulted in a range of social harms.⁹

RECOMMENDATIONS

- Permanently wind back mutual obligation requirements and financial penalties for people who are unemployed.
-

Remove barriers to accessing payments

A range of measures have narrowed access or reduced payment rates, including the abolition of the Income Support Bonus, freezing allowance free areas, and the removal of backdated carers allowance payments. The cumulative effect of these changes has been increased financial hardship for people already living below the poverty line.

Of particular concern is the tightening of eligibility requirements for the Disability Support Pension (DSP). This has led to instances where people who are not realistically able to secure or maintain employment due to disability or illness are forced on the lower JobSeeker payment and onerous mutual obligation requirements. The abolition of Sickness Allowance has also highlighted the need for a payment that can better support people temporarily prevented from working because of a mental health concern or intermittent illness, without requiring the condition to be permanent.

In addition, we strongly oppose measures to limit access to income support and social protections for new arrivals and other migrant groups in Australia. Access to social security should be determined on the basis of need, not on the basis of false distinctions between the 'deserving' and 'undeserving', or arbitrary social categories such as migration history.

A key concern highlighted in the pandemic response has been the exclusion of asylum seekers and temporary migrants from our social safety net.

We welcome the temporary lifting of the Newly Arrived Temporary Residents Waiting Period and do not support its reinstatement. Excluding new arrivals and certain categories of migrants from basic social support contravenes values of fairness, justice and solidarity. It will result in some people being denied basic support payments if they have a new baby, lose their job, fall ill, care for a terminally ill family member, or experience another circumstance that prevents them supporting themselves through work.

Of particular concern are the likely impacts on the most marginalised migrant cohorts, including women experiencing domestic violence, precarious workers vulnerable to exploitation, older migrants experiencing elder abuse, and asylum seekers with histories of trauma. Without access to a safety net, such groups risk being trapped in a cycle of poverty, precarity and vulnerability.

RECOMMENDATIONS

- Revise eligibility requirements that restrict access to the Disability Support Pension for people who have a chronic illness or disability.
- Extend income support payments to asylum seekers and temporary visa holders experiencing hardship, or at a minimum extend the list of visa subclasses eligible for Special Benefit to include all Bridging Visas, Student Visas, Temporary Resident (Skilled Employment) Visas, Temporary Graduate Visas and all New Zealand citizens living in Australia.
- Provide a payment that supports people who are temporarily unable to work due to poor mental health or an intermittent or relapsing illness.
- Permanently remove the Liquid Assets Waiting Period, One-Week Waiting Period and the Third Party Verification requirement.
- Permanently remove the Newly Arrived Residents Waiting Period.

Secure and affordable housing

Australia's housing system is in need of repair and investment. The pandemic shone a spotlight on rising homelessness, a shortage in social housing, and the lack of affordable options for low-income households in the private rental market.^{10,11,12}

Housing stress and financial pressures are likely to increase for the most vulnerable as Government and the financial sector wind back temporary supports.

The 2021 Budget presents an opportunity to lay the foundations for a more equitable and affordable housing system that benefits households, communities and the wider economy into the future.

UnitingCare Australia supports the *Everybody's Home* Campaign and the five point plan to fix the housing system:

1. Support for first home-buyers
2. A National Housing Strategy
3. A better deal for renters
4. Immediate relief for Australians in chronic rental stress
5. A plan to end homelessness by 2030.

RECOMMENDATIONS

- Implement the recommendations from the *Everybody's Home* five point plan.
-

A fairer tax system to fund services and reduce inequality

UnitingCare Australia supports a taxation system that contributes to greater equity and supports adequate social supports that promote fairness and ensures the wellbeing of all Australians.

In comparative terms, Australia is a low-taxing nation, and the ninth lowest of 37 countries in the OECD.¹³ Given the economic recovery is ahead of Government expectations, we must ensure an adequate and stable tax base that can finance our social, economic and environmental goals.

RECOMMENDATIONS

- The third stage of personal income tax cuts legislated to take effect from July 2024 should be withdrawn and the revenue redirected toward essential services and strengthening the social security safety net.
-

Justice for First Peoples

We urge the Government to set a new direction in its approach to First Peoples in this year's Federal Budget, providing measures that support self-determination and lead to tangible and lasting outcomes.

In 2020, the stark disparities and injustices experienced by First Peoples were brought into sharp relief by the impact of the bushfires, the heightened risks to First Peoples posed by COVID-19, and the Black Lives Matter protests. The new Closing the Gap Agreement was an historic step forward. Yet Closing the Gap in social and health outcomes requires closing the gap in funding to housing, health and social supports for First Peoples.

Successive budgets have failed to provide the funding and community-led approaches that communities need.

While funding cuts and policy instability remain ongoing concerns, we were encouraged by the Government's commitment to formally share decision-making with First Peoples on Closing the Gap and its support for the Priority Reforms developed by the Coalition of Peaks. We urge the Federal Government to work with First Peoples in a genuine partnership across all key areas of policy, including health, justice, employment, housing, disability, and children and families.

RECOMMENDATIONS

- Adequate and secure funding for an independent national representative body.
- Provide significant, long-term funding for community-controlled services and community-led programs across all key areas of policy including health, mental health, aged care, justice, employment, disability and families; such funding should be commensurate with the level of need, reflect the actual cost of delivering services, and support workforce development and capacity building.

Justice reinvestment and legal assistance

There is an urgent need for action to reduce incarceration rates among First Peoples. While this issue cuts across all levels of government, the Commonwealth has an important leadership role to play. This includes funding a Justice Reinvestment coordinating body to promote the reinvestment of resources from the criminal justice system to local community development initiatives that address the drivers of crime and incarceration. This independent body would be led by First Peoples and responsible for collecting data, developing options for initiatives, evaluating programs, and providing assistance to local sites seeking to implement justice reinvestment.

In addition to establishing an independent Justice Reinvestment body, the Government should invest in a Justice Reinvestment grants program. This could provide dedicated funding to extend the justice reinvestment project currently underway in Bourke, as well funding additional trial sites in other states and territories. These sites would be identified in cooperation with state and

territory governments and contingent on local community support and an active role for First Peoples in designing, developing and implementing associated initiatives.

We remain concerned about the adequacy and security of funding for Aboriginal and Torres Strait Islander Legal Services (ATSILS). UnitingCare Australia urges the Government to increase funding and reverse its decision to abolish the standalone Indigenous Legal Assistance Program.

In addition to reinstating standalone and guaranteed funding for ATSILS, we urge the Government to invest additional resources into frontline Family Violence Prevention Legal Services across Australia, as well as restoring funding to the peak national body for Aboriginal community-controlled family violence prevention legal services, whose funding ceased at the end of 2020.

RECOMMENDATIONS

- Fund the establishment of a National Centre for Justice Reinvestment to collect and disseminate data and research and facilitate local community development initiatives that address the drivers of crime and incarceration.
- Establish a Justice Reinvestment grants program to support justice reinvestment trials initiated in partnership with First Peoples.
- Reinstatement of the standalone, specific-purpose funding program for Aboriginal and Torres Strait Islander Legal Services (ATSILS) and strengthen access to justice for First Nations peoples by increasing overall funding levels.
- Provide adequate and ongoing resources for frontline Family Violence Prevention Legal Services and restore dedicated funding for the National Family Violence Prevention Legal Services Forum (NFVPLS Forum), the peak body for Aboriginal community-controlled family violence prevention legal services.

Supporting children and young people

We welcome the Government's commitment to "delivering a better future for our Indigenous children and youth across this nation".¹⁴ However, more needs to be done if this aspiration is to be realised. Aboriginal and Torres Strait Islander children and young people continue to experience widespread discrimination and disadvantage, and are 10 times more likely to be in out-of-home care than other children and 18 times more likely to be in youth detention.^{15,16}

UnitingCare Australia supports calls for an Independent National Commissioner for Aboriginal and Torres Strait Islander Children and Young People.¹⁷ The Budget should provide adequate resourcing to enable the Commissioner to perform his or her functions and ensure accountability for the health, safety and wellbeing of children and young people.

In addition, further funding is required to support First Peoples children in their early years. Improving access to early childhood education and building the capacity of the community-controlled early years sector are reform priorities of the new Closing the Gap Agreement, but this requires increased funding. The current user-pays, Child Care Subsidy system poses barriers to

access and does provide funding for the range of wrap-around supports and holistic care that families and children need to thrive. Funding for family support and reunification services should also be boosted to support families at risk of or recently experiencing child removal.

RECOMMENDATIONS

- Provide resourcing for an Independent National Commissioner for Aboriginal and Torres Strait Islander Children and Young People.
 - Increase the minimum entitlement of subsidised early childhood education and care for First Peoples children.
 - Invest in community-controlled and holistic early years services through a funding model and program designed to meet the needs of First Peoples children and families.
 - Increase investment in early intervention and prevention for First Peoples children and families at risk, including family support and reunification.
-

Strengthening mental health and social and emotional wellbeing

Investment in First Peoples mental health and wellbeing services is imperative if social and health outcomes are to improve. Culturally safe, trauma-informed services have been established to support First Peoples mental health and wellbeing, but such services are chronically under-resourced and vary in availability. Additional funding should be placed under the direction of First Peoples organisations where possible, rather than external commissioning bodies. In addition to funding community-controlled services, mainstream health and mental health programs must be better equipped to provide culturally capable, trauma-informed support and care when working with First Peoples.

RECOMMENDATIONS

- Provide needs-based funding to support implementation of the National Strategic Framework for Aboriginal and Torres Strait Islander Peoples' Mental Health and Social and Emotional Wellbeing 2017–2023 and Implementation Plan.
-

Supporting economic resilience and inclusion

We urge the government to replace the Community Development Program with a community-led job creation and employment services scheme for people in remote First Peoples communities, as proposed by APONT and the Fair Work Stronger Communities Alliance, and including investment in a Remote Jobs Fund and Remote Jobs Centres.

The Federal Government has an opportunity to work with First Peoples to put in place approaches that create meaningful paid jobs, support economic resilience, and meet community aspirations.

RECOMMENDATIONS

- Replace the Community Development Program with a community-led job creation and employment services scheme for people in remote First Peoples communities, as proposed by APONT and the Fair Work Stronger Communities Alliance, and including investment in a Remote Jobs Fund and Remote Jobs Centres.
-

Accessible and affordable community services

Community services have been at the frontline of the COVID crisis and played a central role in supporting those in need in the community. However, the community sector continues to face funding and regulatory challenges, including short-term funding arrangements, freezes in indexation and higher demand for services.

Demand for services is growing and it is anticipated this will continue as JobKeeper and the supplements to JobSeeker are rolled back in coming months. Therefore it is essential that services have the ability to meet this need and flexibility to adapt to ensure that people receive the supports they need when they need them.

We commend the Government's decision to provide ongoing funding to meet the Equal Remuneration Order (ERO), and we acknowledge additional funding has been provided to some areas of need in response to the pandemic.

RECOMMENDATIONS

- To align services and funding with community need, undertake a comprehensive service needs analysis and demand mapping exercise in collaboration with the community sector.
 - Ensure that community services are adequately funded, including allowing for indexation, and have the ability to adapt to community need.
-

Disability and the National Disability Insurance Scheme

UnitingCare Australia continues to commend the points in our 2020-21 Pre-Budget Submission on disability and the National Disability Insurance Scheme (NDIS) to the Government as detailed below:

RECOMMENDATIONS

- Ensure the NDIS is truly demand driven and uncapped;
- Improve the NDIS planning process to ensure plans properly meet the needs of participants and are flexible;
- Ensure that the NDIS Price Guide reflects the actual cost of providing all necessary services to an appropriately high quality;
- Appropriately address supply gaps in thin markets guaranteeing participants access to quality services and greater choice and control;
- Ensure timely access to early intervention services for children;
- Increase funding for and access to Specialist Disability Accommodation payments;
- Ensure there is sufficient funding for independent advocacy for people with disability;
- Remove rules that unfairly restrict equitable access to the Disability Support Pension for people who have a chronic illness or disability.

In addition, we highlight a multitude of additional measures for action below.

The National Disability Strategy and the National Disability Employment Strategy

UnitingCare Australia provided a submission to the Stage 2 Consultation for the new National Disability Strategy due to be finalised and commence this year.

RECOMMENDATIONS

- Person-centred planning needs to include a spiritual dimension in a way that is meaningful to the person's beliefs, culture, and circumstances. In turn, staff awareness and preparation must complement that.
- The Federal Government funds the development and implementation of national spiritual guidelines for use within the NDIS and disability services sector.

We continue to commend these recommendations to Government.

UnitingCare Australia looks forward to reviewing the new National Disability Strategy in due course and recommends funding be allocated to the National Disability Strategy in the 2021-22 Budget to enable its implementation.

UnitingCare Australia welcomes the recent Government announcement of a National Disability Employment Strategy. UnitingCare Australia recommends funding be allocated to the implementation and evaluation of the National Disability Employment Strategy, as well as its development. This should include expanding eligibility criteria to specialist disability employment services to ensure all people with disability have access to the employment service supports they need.

NDIS Eligibility

The requirement for people with disability to have entered the NDIS before they turn 65 is causing inequity for people with disability who are aged 65 and over, who would otherwise be eligible for the NDIS. In the context of the Aged Care Royal Commission, UnitingCare Australia has recommended structural changes to remove barriers to choice, including the arbitrary cut-off of access to the NDIS. We commend this recommendation to the Government.

NDIS and First Peoples

As the Uniting Church in Australia and the Uniting Aboriginal and Islander Christian Congress stated in their response to the Disability Royal Commission's Issues Paper on the experience of First Nations People with Disability in Australia:

More needs to be done to improve access to the NDIS for First Nations people with disability, as well as to strengthen implementation of the scheme, particularly in remote areas. Additional funding is needed to provide targeted support and advocacy for First Nations people seeking to access and navigate the NDIS, and to ensure a holistic and culturally appropriate approach is taken to assessment and planning. Priorities for change include the funding of interpreting services and the elevation of cultural elements in participants' plans, as well as enabling those incarcerated to use their NDIS funds while in prison.

NDIS Pricing Model

The Uniting Church in Australia's network of disability service providers are concerned about the NDIS pricing model and its ability to affect the delivery of high-quality supports to NDIS participants. Price pressures are impacting disability service providers and parts of our network have had to withdraw from providing certain NDIS services due to the pricing model. UnitingCare Australia recommends the establishment of **a transparent and evidence-based** process to rectify NDIS pricing issues.

RECOMMENDATIONS

Any future pricing model needs to consider overheads including:

- Cost of technology required to meet the complexity of systems and processes (initial investment plus ongoing maintenance and resources needed to update systems every time a change is made to the NDIS Business Rules);
 - Administrative burden brought on by increasingly complex systems and processes;
 - Administrative burden carried by disability service providers in absence of support for participants from NDIS Partners in the Community (i.e., Local Area Coordination Services);
 - Administrative burden of the reporting regime to the NDIS Quality and Safeguards Commission; and
 - Recruitment and training costs for a growing community-based part-time and casual workforce subject to higher turnover than other community services workforces.
-

Additional funding should also be made available to address instances where appropriate services are unavailable due to thin markets, including through the provision of block funding.

Employment for people with disability

People with disability are less likely to be employed than non-disabled people. This is an ongoing issue and more needs to be done to break down barriers to employment for people with disability and to support jobseekers with disability to find and maintain safe and meaningful employment.

RECOMMENDATIONS

- Funding for NDIS employment support providers to work with employers to build confidence and capacity to successfully and sustainably employ people with disability in meaningful roles;
 - Funding to compensate supported employers or providers if the supported wage is removed;
 - A focus on funding for employment support in NDIS plans and sufficient funding to drive up meaningful employment rates for people with disability; and
 - Increased education subsidies at TAFE, registered training organisations and universities for people with disability to help them progress.
-

Disability Representative Organisations

UnitingCare Australia advocates for funding for Disability Representative Organisations (DROs) funded under the Disability Representative Organisation program be continued. Currently, the program recipients are only funded until June 2022. Additional funding must be allocated in the 2021-22 Budget to provide funding certainty to program recipients.

RECOMMENDATIONS

- Funding for Disability Representative Organisations funded under the Disability Representative Organisation program be continued.
-

Disability Royal Commission support services

Counselling and support and legal services for people with disability, their families and carers wanting to share their story with the Disability Royal Commission will be required for the duration of the Disability Royal Commission. If the Government agrees to extend the Disability Royal Commission as the Chair has requested, then UnitingCare Australia supports the provision of additional funding for counselling, systemic advocacy, and independent advocacy providers, and for the legal advisory service, for the Disability Royal Commission to ensure they can continue to support those affected by the Disability Royal Commission.

RECOMMENDATIONS

- Provision of additional funding for counselling, systemic advocacy, and independent advocacy providers, and for the legal advisory service for the Disability Royal Commission.
-

Climate justice

UnitingCare Australia, as an agency of the Assembly of the Uniting Church in Australia, together with the Uniting Church's network of community services are committed to action on climate justice. We call on the Government to commit to no new gas or coal mining, a just transition for communities dependent on fossil fuels, equitable access to renewable energy, and policies which support people and nations vulnerable to climate change.

RECOMMENDATIONS

- A national climate policy that drives down greenhouse gas pollution, including no new coal or gas mining in Australia and investment in renewable energy.
 - Just and sustainable transition for communities currently dependent on fossil fuel industries for employment, towards more environmentally sustainable sources of income.
 - Equitable access to renewables for all Australians.
 - Policies which support people and nations that are most vulnerable to climate change.
-

References

- ¹ Organisation for Economic Cooperation and Development (OECD), (2015). *In It Together: Why Less Inequality Benefits All*. OECD Publishing: Paris. http://www.oecd-ilibrary.org/employment/in-it-together-why-less-inequality-benefits-all_9789264235120-en
- ² Parsons, K., Katz, I., Macvean, M., Spada-Rinaldis S., & Shackleton, F., (2016). *Alternatives to Income Management* (SPRC Report 08/16). Social Policy Research Centre, University of New South Wales: Sydney, and the Parenting Research Centre http://www.aboriginalaffairs.nsw.gov.au/pdfs/research-and-evaluation/TAB-A-Alternatives-to-IM-Report_FINAL.pdf
- ³ Bray, R., (2016). *Income management evaluations – what do we now know? Placing the findings of the evaluation of New Income Management in the Northern Territory in context*. Centre for Aboriginal Economic Policy Research (CAEPR) Working Paper No. 111/2016. CAEPR, Australian National University: Canberra. http://caepr.anu.edu.au/sites/default/files/Publications/WP/Income%20Management%20Evaluations_WP111_2016.pdf
- ⁴ Bray, J.R., Gray, M., Hand, K., Bradbury, B., Eastman, C., & Katz, I., (2012). *Evaluating New Income Management in the Northern Territory: first evaluation report*. Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs: Canberra. https://www.dss.gov.au/sites/default/files/documents/11_2012/nim_first_evaluation_report.pdf
- ⁵ Brimblecombe, J., McDonnell, J., Barnes, A., Garnngulkpuy Dhurrkay, J., Thomas, D., & Bailie, R., (2010). Impact of income management on store sales in the Northern Territory. *Medical Journal of Australia* 192(10):549–554.
- ⁶ Doyle, M.A., Schurer, S., & Silburn, S., (2017). *Do Welfare Restrictions Improve Child Health? Estimating the Causal Impact of Income Management in the Northern Territory*. Report No 2017-23. ARC Centre of Excellence for Children and Families over the Life Course: Brisbane. <http://www.lifecoursecentre.org.au/wp-content/uploads/2017/12/2017-23-LCC-Working-Paper-Doyle-et-al.1.pdf>
- ⁷ UnitingCare Australia, (2019). Submission to the Community Affairs Legislation Committee Inquiry into the Social Security (Administration) Amendment (Income Management to Cashless Debit Card Transition) Bill 2019. UnitingCare Australia: Canberra. <https://unitingcare.org.au/download/submission-to-the-community-affairs-legislation-committee-inquiry-into-the-social-security-administration-amendment-income-management-to-cashless-debit-card-transition-bill-2019/>
- ⁸ Geiger, B. B. (2017). Benefits conditionality for disabled people: stylised facts from a review of international evidence and practice. *Journal of Poverty and Social Justice* 25(2):107-128.
- ⁹ UnitingCare Australia, (2019). *Submission on the Social Services Legislation Amendment (Drug Testing Trial) Bill 2019*. UnitingCare Australia: Canberra. <https://unitingcare.org.au/download/submission-on-the-social-services-legislation-amendment-drug-testing-trial-bill-2019/>
- ¹⁰ Australian Institute of Health and Welfare (AIHW), (2020). *Australia's welfare 2020: Housing Affordability*. AIHW: Canberra. <https://www.aihw.gov.au/reports/australias-welfare/housing-affordability>
- ¹¹ Daley, J., Coates, B., and Wiltshire, T., (2018). *Housing affordability: re-imagining the Australian dream*. Grattan Institute. <https://grattan.edu.au/wp-content/uploads/2018/03/901-Housing-affordability.pdf>
- ¹² Reserve Bank of Australia (RBA), (2021). The Australian Economy and Financial Markets, January 2021. RBA. <https://www.rba.gov.au/chart-pack/pdf/chart-pack.pdf?v=2021-01-21-14-44-02>
- ¹³ OECD (2020), *Revenue Statistics 2020*. OECD Publishing: Paris. <https://doi.org/10.1787/8625f8e5-en> [Tax revenue as a % of GDP]
- ¹⁴ Wyatt, K. (MP), (2019). *Op-ed – early education the path to a healthier Indigenous future*. <https://www.kenwyatt.com.au/ministerial-news-indigenous-australians/2019/8/5/op-ed-early-education-the-path-to-a-healthier-indigenous-future>
- ¹⁵ (2020). *Family Matters Report 2020: Measuring trends to turn the tide on the over-representation of Aboriginal and Torres Strait Islander children in out-of-home care in Australia*. SNAICC, the Family Matters campaign, University of Melbourne, Griffith University and Monash University. https://www.familymatters.org.au/wp-content/uploads/2020/11/FamilyMattersReport2020_LR.pdf
- ¹⁶ Productivity Commission, (2021). *Report on Government Services 2020: Youth justice services*. Productivity Commission, Australia Government. <https://www.pc.gov.au/research/ongoing/report-on-government-services/2021/community-services/youth-justice>
- ¹⁷ SNAICC and Family Matters, (2019). *Position Paper: Establishment of national commissioner for Aboriginal and Torres Strait Islander children and young people*. SNAICC. https://www.familymatters.org.au/wp-content/uploads/2019/10/SNAICC_Family-Matters_Position-Paper_national-commissioner_FINAL.pdf