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BUDGET POLICY DIVISION
DEPARTMENT OF THE TREASURY

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ABOUT FRSA

As the national peak body for family and relationship services, FRSA has a critical leadership role in representing our extensive network of Member Organisations to support their interests and the children, families and communities they serve across Australia. FRSA plays a significant national role in building and analysing the knowledge and evidence base relating to child and family wellbeing, safety and resilience. We undertake research and work with government and non-government stakeholders to inform policy and shape systemic change.

Our vision

The wellbeing of all children, families and communities in Australia is supported and protected.

About our members

FRSA has 165 members, with 135 members in a direct service delivery role.¹ The range of services provided includes:

- Family Relationship Centres
- Children's Contact Services
- Family Law Counselling
- Family Relationship Advice
- Family Dispute Resolution (FDR) and Regional FDR
- Parenting Orders Program
- Supporting Children after Separation Program
- Family and Relationship Services
- Specialised Family Violence Services
- Family Mental Health Support Services

¹ FRSA's full members deliver family and relationship services. FRSA's associate, individual and honorary members hold policy, research and professional expertise in family law, family and relationships services and related social services.



INTRODUCTION

FRSA welcomes the opportunity to participate in the Federal Government's pre-Budget submission process. Our submission outlines priority issues for Family and Relationship Services to be considered in development of the 2022-2023 Budget.

The social and community services sector

The not-for-profit social and community services sector is a significant part of the Australian economy and integral to our social fabric. The community and charities sector contributes \$128 billion to the national economy and employs 1.3 million people (or approximately 840,000 full-time equivalent workers).² The sector delivers a range of key services that many Australians rely on – aged care, child care, family and relationship services, disability support, emergency relief, housing and homelessness services, to name just some.

Family and Relationship Services Sector

The FRSA membership, which includes all Family Law Service providers and a large proportion of other Family and Relationship Services providers, employs between 4 000 and 5 500 workers across metropolitan, regional and remote Australia, and delivers family and relationship services to approximately 580 000 Australians each year.³ A full description of the family and relationship services provided by FRSA members is available on the Department of Social Services [website](#).

PRIORITIES

This submission outlines four priority issues that we ask to be taken into consideration in the 2022-2023 Federal Budget:

1. Funding for family and relationship services that meets the real costs of service provision and increased service demand
2. Investment in workforce development for the family and relationship services sector
3. Support for older Australians experiencing abuse and neglect
4. National Children's Mental Health and Wellbeing Strategy.

² Deloitte Access Economics (November 2017), [Economic contribution of the Australian charity sector](#), Australian Charities and Not-for-profits Commission.

³ The Centre for International Economics (2020), [Expiry of the Social and Community Services Pay Equity Special Account: Implications for family and relationship services](#), p. 17.



1. FUNDING THAT MEETS REAL COSTS AND SERVICE DEMAND

Funding has not kept pace with costs

As we reported in our 2021-222 Pre-Budget Submission, there is a significant gap between Commonwealth funding for service delivery and the real costs of delivering family and relationship services. It is a gap that grows wider each year.

Baseline funding for Family and Relationship Services has remained the same over multiple years, in real terms. Since 2012-13, when indexation has been applied to programs delivered by the FRSA membership base, indexation rates have been on average approximately 1.5 per cent, and applied to the original grant funding value, rather than on a cumulative, annual basis.⁴ A three-year indexation freeze brought in at the 2014-2015 Budget impacted the Family Law Services component of Family and Relationship Services.

Our sector continues to experience frustration with the lack of transparency around decisions underpinning the allocation and rate of indexation applied to different programs. We further note that timeliness in advising indexation decisions would assist in organisational planning.

An independent [report](#) commissioned by FRSA in 2020 showed that while funding has remained relatively static, the costs of delivering services increased over 2011-12 to 2018-19 (the eight year period under analysis). Efficiency investments by FRSA members have ensured that the sector has been able to maintain client numbers in the face of funding pressures and significant cost pressures. Analysis across the key cost categories of wage and occupancy costs against output measures of cost per client shows that while cost indexes have increased significantly, a rebalancing of the cost base within the sector has allowed for the index of cost per client to rise minimally.⁵ The report concluded that the Family and Relationship Services sector is at, or close to, the efficiency frontier. That is, there is limited, if any, scope for further efficiencies.⁶

Funding has not kept pace with service demand

A 2021 ACOSS report of the not-for-profit community services sector, showed that demand for community services has continued to grow over the life of the pandemic. At the same time, service providers have adapted to social distancing requirements due to the COVID pandemic, through the expansion or introduction of digital service delivery, incurring significant costs in the process.⁷

While, despite significant cost increases, family and relationship support provided by FRSA members has remained constant over past years, service demand has

⁴ CIE (20 March 2020), *Final Report: Expiry of the Social and Community Services Pay Equity Special Account – Implications for family and relationship services*, p. 37.

⁵ CIE (20 March 2020), *Final Report: Expiry of the Social and Community Services Pay Equity Special Account – Implications for family and relationship services*, p. 29.

⁶ CIE (20 March 2020), *Final Report: Expiry of the Social and Community Services Pay Equity Special Account – Implications for family and relationship services*, p. 32.

⁷ ACOSS (April 2021), [Meeting Community Needs in Difficult Times: Experiences of Australia's Community Sector](#)



continued to grow – both in terms of potential clients seeking support and the complexity in the cases that need to be managed.⁸

Family Law Services, which are an important component of family and relationship services, receive total annual funding of \$229 million⁹ and serve approximately 170 000 clients each year. A 2016 KPMG report, commissioned by the Attorney-General's Department, which looked at Family Law Services, found that should the funding envelope remain the same, the projected shortfall by 2023-2024 would be \$21.2 million.¹⁰ The analysis of the funding shortfall was based on the assumption that increased demand came only from population growth. The analysis did not account for growing client complexity.¹¹

Impacts of COVID-19 on service demand across family and relationship services

In late 2020, FRSA undertook an exploratory member survey to understand how the pandemic was impacting service demand and to look at service demand projections for 2021.

The survey found that while there had been fluctuations in demand since March 2020 – attributed to service delivery constraints arising from lockdown restrictions¹² – an increase in service demand was experienced across a number of family and relationship services, particularly family and relationship counselling and Specialised Family Violence Services. Survey respondents reported an increase in people presenting with domestic and family violence issues and mental health concerns.¹³

Discussions over the past six months with FRSA members indicate continuing fluctuations in service demand over 2021 including, concerningly, significant increases in service demand for some organisations, and clients requiring more frequent sessions over longer periods of time for providers of family and relationship counselling services.

Recommendation 1

FRSA **recommends** that the 2022-2023 Budget includes an increase in funding across the suite of Family and Relationship Services.

⁸ CIE (20 March 2020), *Final Report: Expiry of the Social and Community Services Pay Equity Special Account – Implications for family and relationship services*, pp 38-39.

⁹ This includes a welcomed \$25.3 million per year (over 4 years), allocated for Children's Contact Services in the 2021-22 Federal Budget, and equivalent of SACS Supplementation built into baseline funding from 2021-22.

¹⁰ KPMG (2016) *Future Focus of the Family Law Services*, Prepared for the Attorney-General's Department.

¹¹ See for example, [research on Family Law Services](#) undertaken by the Australian Institute of Family Studies.

¹² For example, due to court closures service demand for the Parenting Orders Program temporarily decreased and then providers began to experience backlogs as the courts re-opened.

¹³ FRSA (2021), [Survey: Impacts of the COVID-19 Pandemic on Service Demand for Family and Relationship Services](#).



Recommendation 2

FRSA **recommends** that Government undertakes a comprehensive needs analysis for social services, including Family and Relationship Services, across Australia to inform future Budget development. This needs analysis should take account of the longer-term impacts of the pandemic and changing demographics of regions to ensure an optimal match between supply and demand of social services.

2. INVESTMENT IN WORKFORCE DEVELOPMENT

Government investment in workforce development in areas projected to grow is vital to the recovery of the economy, as well as to meeting changing needs of the Australian community. Health Care and Social Assistance was projected to make the largest contribution to employment growth to 2025 in the latest Australian Government employment projections.¹⁴ In the 2021 Skills Priority List, psychologists and counsellors are prioritised as occupations with strong future demand.¹⁵

The pandemic has created an impetus for even greater need for health care and social assistance, and commensurate support for workforce development in this area is required. It is essential that strategies and actions that maximise opportunities for attracting and retaining a skilled workforce – particularly in regional and rural areas - are put in place.

FRSA members located in, and servicing, regional and rural/remote areas have reported for some time difficulty in recruiting appropriately qualified social workers, psychologists, counsellors and mediators. This has been compounded during the pandemic with scope to recruit from elsewhere – particularly other states – limited by pandemic restrictions, including border closures. More recently, members have started to report recruitment challenges in major city locations. This suggests, unsurprisingly, that as demand for appropriately skilled professionals such as psychologists grows, so too do wages. With relatively static funding and increased costs (discussed earlier), it is extraordinarily difficult for our members to attract suitably qualified professionals when government and private sector can afford to pay those professionals higher wages.

The Family and Relationship Services sector and social services more broadly will continue to be integral to Australia's social and economy recovery from the COVID-19 pandemic. The sector must be supported to meet demand for services and broader community need.

Recommendation 3

FRSA **recommends** that the 2022-2023 Budget include provision for a workforce development strategy for the family and relationship services sector (and health and social service more broadly).

¹⁴ Australian Government Labour Market Information Portal, [2020 Employment Projections– for the five years to November 2025](#).

¹⁵ National Skills Commission (June 2021), [Skills Priority List](#), Australian Government.



3. SUPPORT FOR OLDER AUSTRALIANS EXPERIENCING ABUSE AND NEGLECT

The abuse and neglect of older Australians is a serious and relatively widespread issue that requires a strong policy focus and a sustained response. This was recognized in 2019 by the then Council of Attorneys-General (CAG), which committed to the [National Plan](#) to Respond to the Abuse of Older Australians (Elder Abuse) 2019–2023.

The recently released (December 2021) *National Elder Abuse Prevalence Study: Final Report* (the Report), which was commissioned by the Australian Attorney-General's Department under the National Plan, found that almost one in six (14.8%) older Australians reported that they had experienced abuse in the past 12 months. The Study found that the most common form of elder abuse was psychological abuse (11.7%), followed by neglect (2.9%), financial abuse (2.1%), physical abuse (1.8%) and sexual abuse (1%).

The Report sets out a number of implications for policy, including the development of an evidence-based prevention framework, noting that the proportion of the population aged 65 and over is set to grow.

FRSA supports investment in the development of a framework and related initiatives outlined in the Report such as proactive screening for abuse and neglect across services.

We also see a strengthened role for the family and relationship services sector in providing support to both victims and perpetrators of elder abuse. The Report identifies two approaches that are seen as promising interventions for elder abuse: family mediation and multidisciplinary approaches that may include legal, health and therapeutic supports. The [Elder Abuse Service trials](#), which are due to end in June 2022, are an example of this second approach.

Providers in the family and relationship services sector are currently involved in the government's Elder Abuse Service Trials as well as providing other interventions – such as Elder Mediation, counselling and case management support for those at risk or experiencing elder abuse – on an ongoing basis.

Given the high prevalence of elder abuse found in The Report, we consider that additional funding for counselling, mediation and support services should be committed, as a matter of urgency, in the upcoming Budget.

Recommendation 4

FRSA **recommends** that the 2022-2023 Budget include increased funding for counselling, mediation, and support services for older Australians at risk or experiencing abuse.



4. NATIONAL CHILDREN'S MENTAL HEALTH AND WELLBEING STRATEGY

[The National Children's Mental Health and Wellbeing Strategy](#), which was developed by the National Mental Health Commission as part of the Australian Government's long-term national health plan, was released in late 2021. The Strategy 'provides a framework to guide critical investment in the mental health and wellbeing of children and families'.¹⁶

FRSA supports the holistic approach of the Strategy, which recognizes the role of families and communities as well as services and educators in supporting child mental health and wellbeing. The Strategy emphasizes the importance of prevention and early intervention and articulates a shift from a medical model of individual pathology to the concept of a wellbeing continuum that recognizes the social and economic contexts in which children's mental wellbeing is shaped. To this end, the Strategy sets out four focus areas: Family and Community, The Service System, Education Settings and Evidence and Evaluation.

The family and relationship services sector currently provides a range of parenting and child support programs as well as a program dedicated to the mental wellbeing of children and young people – Family Mental Health Support Services (FMHSS). FMHSS offers family-based, non-clinical mental health support for children and young people, aged up to 18 years, who are showing signs of, or are at risk of, developing mental illness.

With a strong geographical footprint across Australia and a suite of programs that seek to support children and families early in life and during key life transitions (for example, transitioning to school, transitioning to parenthood), FRSA sees a strong role for our sector in supporting the mental wellbeing of children, as outlined under Focus area 1: Family and Community. We therefore encourage government to take into consideration the experience, skill and reach of our sector when determining investments under the Strategy.

¹⁶ P. 6.