

# MEDIA RELEASE

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## **Put the vulnerable first in tight economic times: WACOSS**

The Western Australian Council of Social Service has emphasised the need to spare low income households from unnecessary financial pain as the WA Government looks for ways to re-balance its budget following the release of its mid-year review by Treasurer Mike Nahan.

“We must ensure during times of relative economic austerity that vulnerable people are protected from adverse impacts, so we leave no-one behind.” said Irina Cattalini, CEO of WACOSS today.

“Our most disadvantaged citizens deserve better than being hit hard by both phases of the economic cycle. We do not want vulnerable people finding their circumstances continuing to worsen now, on the back of cost of living increases they have felt during the boom.”

“With unemployment rising to 6.5% and employment growth slowing further to 1.5% we expect to see more WA families struggling in the New Year,” she said.

The Council drew attention to the pressures on households documented in its latest [Cost of Living report](#), released earlier this month, highlighting increases in household fees and charges in consecutive budgets.

“While the affordability of housing remains the biggest financial pressure for many low income households, we have seen large rises in the cost of electricity, gas and water bills over the last few years. With a significant rise in car registration also coming to enable a crucial no-fault insurance scheme, many households are facing difficult financial choices simply to make ends meet.”

“The Council’s recent [budget submission](#) prioritised funding for key services supporting those most in need and investing in measures to reduce long term expenditure. Our total ask of \$382 million is a modest one, recognising the need to focus our efforts in tight times where they will have the greatest impact.”

“While GST distribution needs to be equitable, the State and Territory Councils of Social Service and ACOSS continue to call for broader tax reform measures that delivers adequate revenue for essential health, education and community services,” she said.

The Council also repeated its call for the ERA to undertake an independent whole of government review of state concessions to tighten poorly focused expenditure and target support to those most in need.

“The Council opposes the WA Government’s change of policy announced today to indexation of funding for community services. The NGHSS Indexation Policy formula previously recognised that the majority of service funding goes to paying the wages of dedicated workers delivering front-line services. Removing wage indexation risks diminishing the real value of the funding over time,” said Ms Cattalini.

With significant wage increases still to come for workers covered by the Fair Work Australia equal remuneration order it is likely we will soon see the kind of squeeze on services the policy was originally designed to avoid.”

“When resources are limited and difficult decisions need to be made it is critical the State Government works closely with community service providers to ensure service funding targets the most critical areas of need and delivers the most effective long-term outcomes,” concluded Ms Cattalini.

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