



**WA STATE BUDGET SUBMISSION 2024-25** 



#### About WACOSS

The Western Australian Council of Social Service is the peak body for the community services sector in Western Australia and works to create an inclusive, just and equitable society. We advocate for social and economic change to improve the wellbeing of Western Australians, and to strengthen the community services sector that supports them. WACOSS is part of a network consisting of National, State and Territory Councils of Social Service, who advance the interests of people on low incomes and those made vulnerable by the systems that have been put in place.

#### **Acknowledgment of Country**

WACOSS respectfully acknowledges the Traditional Owners of Country throughout Western Australia and recognises their continuing connection to land, waters and community. We pay our respects to them, their cultures, and to elders both past and present. We acknowledge the land on which we live and work is, and always will be, Aboriginal land. Sovereignty was never ceded.

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## **Foreword**

Many Western Australian households are facing hard times, unsure how they will see their way through the next year or two. They are worried about being able to provide for their loved-ones most basic needs and scared that no matter how hard they work and how carefully they scrimp and save, they may fall behind their financial commitments and risk losing everything.

The financial data is telling us that the worst is yet to come, with around a million Australian mortgagees coming off their fixed-term periods and facing a massive jump in their interest payments. For many households this is their first encounter with financial hardship — they have probably never engaged with social services before and may live in new suburbs where few support services are readily available. We saw during the global financial crisis that households will try to hang on too long before seeking help and dig themselves so deep into debt that the only outcome is bankruptcy and mortgage default.

For years our news has been filled with stories of the strength of the WA economy. Now many are looking around at rising rates of poverty, homelessness, poor mental health and family violence, and wondering how we got here. It feels like we have passed a tipping point — where average working households are struggling to get by. Too many people can't find somewhere they can afford to rent or imagine ever owning their own home, while others now face the prospect of retiring into poverty.

Community services play a crucial role in supporting our society, helping people out when they are struggling and acting as a safety net that keeps our community functioning through difficult times. We write this submission to improve support for the most disadvantaged members of our community, and to support the work of the compassionate people who assist them.

WACOSS staff have spent the last couple of months talking with frontline service providers around the state. While the challenges facing each community have their own unique complexities of history, place and service mix, there are common and persistent themes. Across the state essential workers are feeling frustrated and exhausted and services are struggling to keep hold of or replace burnt-out staff. They report rising demand for support and increasing complexity of need during a period they are having to cut hours, levels of service and outreach. Regional services told us that when they finally recruit new staff, they cannot find somewhere they can afford to rent in town. Some services now source rental housing from their own reserves – only to have some new recruits pack up and leave when they cannot get a place in childcare.

Frontline workers are concerned that existing service models and systems are getting stuck and beginning to fail. Many of our crisis and transitional services, from youth homelessness through to women's shelters, are reporting that they can no longer find safe, affordable and appropriate accommodation to transition into. They face the difficult choice of supporting clients beyond the period they are funded for or having to send them back into violent situations or into homelessness.

Rising service delivery costs during a period of capped funding and delayed program recommissioning has forced many services to cut back operating hours to a point where services are less effective and at risk of becoming unviable. Cutting service hours in regional crisis accommodation for homeless youth, or for women and children escaping family violence can mean those in imminent risk have nowhere safe to stay at night or over the weekend. Making these tough decisions in no-win situations leaves staff feeling burnt out and heart-broken.

Meanwhile, many of the services that usually act as the entry points to the acute system are reporting that they are having to hold and case-manage clients in crisis with complex needs for extended periods, simply because there are no crisis or acute services that can provide the specialist support needed as waitlist have blown out beyond 12 months.

While Western Australia's population has grown rapidly over the last decade, our social infrastructure has not kept pace and is now buckling under the strain of increased demand, increased complexity and funding that has fallen behind the growing cost of service delivery. We need to ensure that in addition to offering workers a good job, we can also offer adequate housing and the foundations for a happy, healthy and safe life. To achieve this, we need to shift from a mindset that prioritises one-off investment in physical infrastructure for growth to one that provides population-based and needs-based funding to critical social systems and supports.

Western Australia needs to make much better use of our most precious resource – our people. This is a resource that will continue to grow and shine if we use it effectively, but is easily eroded by misuse and neglect.

As a community it is more effective if we prioritise access to in-time services that make a real difference to life outcomes, so we can reduce the growing cost of our emergency departments and crisis services. It is more effective to boost the capacity of established services and put existing staff whose hours have been cut back on full time, than to try to establish new ones. Providing more support for local and regional childcare services can increase the participation of women in our economy, tackle our critical skills shortages and invest in the next generation. Working smarter by better using data to target services that reduce need, and by giving individuals the tools and support that empowers them to find what they need to be happier, healthier and more productive. Investing in the systems and networks that turn around lives and communities.

All these things are achievable, and we have the collective knowledge and experience to make them happen, but we need to act wisely and dedicate resources at an appropriate scale.

The WA Government and community services sector have worked together in partnership over the last five years to develop and implement the State Commissioning Strategy. Together we have committed to a range of five and ten-year strategies tackling problems from homelessness to family violence, mental health to financial hardship. These collective efforts are showing real promise and now our biggest collective challenge is implementation. We need to see these strategies put into action and properly resourced to allow our growing state to thrive.

That is why we are calling for *a Community Accord*. A coming together to develop a shared vision across the WA Government, our public agencies, community-based services and Aboriginal organisations that commits to a shared set of goals and outcomes that builds a stronger future for all Western Australians.

Mark Glasson President

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Louise Giolitto
Chief Executive Officer

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Affording Life's Basics PAGE 7

• Improve renters' rights by abolishing no-fault evictions, including at the end of a fixed term tenancy.

- Stabilise rent prices by limiting increases to no more than CPI.
- Introduce minimum energy efficiency standards for rental homes.
- Establish a two-year state-wide rent relief program to support households in rental hardship.
- Establish a \$1 billion affordable housing future fund.
- Increase emergency relief and financial counselling funding so that services can meet increasing demand, and support individuals out of hardship.
- Additional investment in homelessness services to address the indexation gap.
- Ban gas connections to new homes and develop a roadmap to stage the transition to allelectric households.
- Expand eligibility for HUGS to include public housing tenants in water hardship and households with pre-payment electricity meters.
- Expand eligibility for water concessions to include people who hold a Health Care Card and support water efficiency in low-income households.
- Extend transport concessions available to Age Pension recipients to all Centrelink Health Care Card holders.

#### Children, Youth and Families

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- Create an Early Childhood Workforce Development Fund.
- Provide per-capita grants and targeted subsidies to community-based early education and care services to fill the gaps in access to affordable care.
- Create and resource an Office of Early Childhood, assisted by a cross-sector partnership forum and peak body.
- Provide a clear direction, timeline and resources for the implementation of Child Safe Standards in WA.
- Make a funded commitment that all victims of child sexual abuse will receive timely and adequate support when they report abuse, seek help and justice.
- Uplift funding for existing child sexual abuse therapeutic services and Indigenous healing services by 15%.
- Review current service coverage, unmet and projected need for child sexual abuse services to ensure all victims have timely access to support.
- Commit to a target to evict zero children to homelessness for public housing in WA.
- Create a Child Poverty Act that sets targets for child poverty reduction and implement a child poverty impact assessment.
- Create a universal child lunch program in all WA schools.

- Invest in navigator models that improve community connectivity and service coordination.
- Reduce the burden of volunteer screening in WA by removing charges for volunteer checks, improving the administrative process for volunteer screening and portability of screening checks.
- Invest in the expansion of existing community health services, including community health hubs and the development of new community health services.
- Increase funding to mental health services, including investment to community-based services and prevention and early intervention services.
- Invest in the expansion of alcohol and other drug services across the spectrum of support to ensure services can meet increasing need.
- Introduce a minimum floor price for alcohol in WA.
- Create a WA child, youth and family wellbeing framework and strategy.
- Create a gender-responsive budget unit in WA Treasury to deliver a Women's Budget
   Statement aligned with emerging national frameworks.
- Establish a WA Stolen Generations Reparations Scheme.
- Fund the implementation of the Community Disaster Resilience Strategy for Western Australia.

Safety and Resilience PAGE 26

- Invest in a comprehensive response to family and domestic violence, including in the delivery
  of all asks raised in the WA Domestic and Family Violence Crisis Talks.
- Increase funding for specialist advocacy, legal and counselling services for women and children who have experienced family and domestic violence.
- Establish a cross-government mechanism in WA to support departmental collaboration on family, domestic and sexual violence initiatives.
- Increase investment in family and domestic violence early intervention and prevention to facilitate the expansion of current programs and development of new ones.
- Increase investment in services for men that increase perpetrator accountability, including early-stage voluntary men's behaviour change programs and accommodation services.
- Raise the age of criminal responsibility to 14.
- Develop a whole of government vision and strategy to improve youth justice outcomes across the life-course, in partnership with community and the sector.
- Develop state-wide publicly reported youth justice targets, in partnership with community
  and the sector to reduce the number of children and young people in detention and address
  the causes of offending.
- Support local communities to implement justice reinvestment in Western Australia through co-investment with the Federal Government's Justice Reinvestment Program.
- Establish a cross-government mechanism in WA to support departmental collaboration on justice reinvestment initiatives.

- A long-term regional development strategy that invests in both physical and social infrastructure to grow resilient and thriving regional communities.
- Invest in regional service delivery networks and support local leadership to develop and deliver place-based solutions.
- Build housing subsidies into service contracts for regional centres where worker housing is unaffordable and create more key worker housing when possible.
- Review the Patient Assisted Travel Scheme to improve the adequacy and effectiveness of the support provided.
- Invest in specialist, allied and dental health services in the regions to ensure all community members can access the care they need.
- Improve access to fixed and mobile broadband in regional and remote locations, and support more free Wi-Fi hubs in public spaces.

#### **Services for a Growing State**

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- Establish a Community Services Accord developed in partnership between the WA
  Government and the community service sector that outlines a set of shared goals and
  commitments and a plan to achieve them.
- Undertake a state-wide review of social services gaps, including demand and unmet need, population growth and changing demographics, to create service maps and a plan for services.
- Establish a Sustainability Working Group with responsibility under the State Commissioning Implementation Plan to address sector sustainability.
- Line agencies work with the community service sector to identify the true cost and value of community services to ensure baseline funding is appropriate now and into the future, with recommendations progressed to Cabinet and ERC within six months.
- Update the Non-Government Human Services Sector Indexation Policy to ensure sustainable indexation of all future multi-year service contracts.
- Extend temporary indemnity and put in place an ongoing solution to ensure access to physical and sexual assault insurance cover for all affected services in WA.
- Address the care and social service recruitment and retention crisis through sustainable longterm service contracts and provide top up funding until services are recommissioned.
- Develop in place training and blended delivery models that cater for both new and existing workers in community services.



# **Affording Life's Basics**

Despite Western Australia's strong economic position and high performing job market, the combination of minimal and stagnant wage growth and decades of inadequate Commonwealth income support, has meant that many households are now struggling to cover the cost of basic necessities.

Rapid and sharp increases in living costs means that those on the lowest incomes do not have sufficient funds to meet the rising cost of rent, energy and transport. It is critical that the State Government acts to ensure all can afford to access essential public services, reduce levels of poverty and disadvantage, and build a more equitable and inclusive Western Australia.

## **Better rights for renters**

In May 2023, the Western Australian State Government announced that it would modernise the *Residential Tenancies Act 1987*. Though the proposed changes are welcome steps, they do not include critically needed reforms to abolish no-fault evictions, mandate minimum energy efficiency standards or cap rental increases.

Abolishing 'no-fault' terminations is fundamental to creating a more equitable rental framework. No-fault terminations mean that in WA a tenant can be evicted without a demonstrable reason or cause. No-fault terminations should be replaced with a list of prescribed reasonable grounds for eviction, which would provide landlords with adequate rights and protections. It is crucial that this list is exhaustive and not too broad in scope, in order to also provide adequate protections for renters. The legislation must recognise that a tenant's basic right to shelter and security takes precedence over a landlord's discretion to terminate a lease. This reform is critical – without it, the ability for tenants to advocate for their rights is diminished due to the constant risk of eviction.

Every other state and territory are now moving to require genuine reasonable grounds for evictions in line with the National Cabinet *Better Deal for Renters*. The WA Government needs to commit to doing the same.<sup>2</sup> The alternative is that Western Australian tenants will have fewer rental rights than in any other state, leaving WA the only place in the country where a renter could be evicted without a good reason.

The lack of minimum energy efficiency standards in rental properties place the health and wellbeing of renters at risk. Households living in poor quality housing have limited capacity to reduce their exposure to extreme temperatures, as heating or cooling energy inefficient houses is extremely costly. Older Western Australians often underestimate their vulnerability to poor health outcomes due to temperature extremes and try to keep energy bills down by simply not using heaters or air conditioning. This leads to poorer wellbeing outcomes and rising health care costs. Minimum energy efficiency standards that must be met for all rental properties establish a clear baseline that can be

<sup>&</sup>lt;sup>1</sup> 'WA tenancy law modernisation to strike a balance between tenants and landlords', Department of Mines, Industry, Regulation and Safety (Web Page, 26 May 2023).

<sup>&</sup>lt;sup>2</sup> Prime Minister Anthony Albanese, '<u>Meeting of National Cabinet – Working Together to Deliver Better</u> Housing Outcomes' (Media Release, 16 August 2023).

easily understood by landlords and tenants. These minimum standards should also support the electrification of rental properties.

In the current landscape, it is exceptionally hard for tenants to challenge increases in rent. This is both because tenants fear that their objections could lead to their eviction, and the unequal access to information, with market data far more readily accessible for landlords and property managers than tenants.

WACOSS proposes the introduction of second-generation rent stabilisation measures that place a cap on rents that limit increases to no more than the Consumer Price Index (CPI). The landlord should also be prevented from increasing the rent between the end of one tenancy and the start of another by more than CPI. This is necessary to avoid incentivising landlords to terminate tenancies in order to charge higher rents.

We recognise that there may be *limited* circumstances where it is reasonable for the rents to increase by more than CPI, such as when substantial improvements have been made to the property. In those circumstances, however, any proposed increase above CPI should have to be justified by the landlord to the State Administrative Tribunal.

**Recommendation:** Improve renters' rights by abolishing no-fault evictions, including at the end of a fixed term tenancy.

**Recommendation:** Stabilise rent prices by limiting increases to no more than CPI.

**Recommendation:** Introduce minimum energy efficiency standards for rental homes.

## Keeping a roof over people's heads

The WA Government acted swiftly in response to the COVID-19 pandemic by introducing the *Residential Rent Relief Grant Scheme* to assist tenants experiencing financial hardship. With rents continuing to skyrocket in our overheated rental market, we consider that there is a clear need to reintroduce the scheme to provide support for tenants until the market cools.

The ACT, NSW, South Australia, and Tasmania currently provide direct financial assistance to support tenants pay for rent arrears and maintain their private rental tenancy. All private rental financial assistance grant applications can be accessed via one entry point with available options for application submission such as an online form, email, phone, post, or in person.

The WA Government has made significant investment to increase the stock of social housing and reforms to increase the overall supply of housing. Interim measures are needed, however, to ensure people stay in their homes while the benefits of this investment come to fruition. A local rent relief scheme supports people to maintain their homes, avoid homelessness, enable sustainable financial

planning, and offer a short-term solution while other housing initiatives come online and the market settles. Failure to act costs us all more in the longer term, with the impacts of financial hardship and homelessness on families taking many decades to overcome.

**Recommendation:** Establish a two-year state-wide rent relief program to support households in rental hardship.

A WA Future Housing Fund should be established to unlock additional construction activity for social and affordable housing over the long term. This fund would provide an ongoing source of funding for key projects, giving certainty to the construction industry and community housing providers to develop longer term solutions.

The proposed WA model would set aside \$1 billion of the state's surplus in perpetuity, with annual returns on the fund forming a long-term funding pipeline for new social and affordable housing supply. It is recommended that the annual returns on a \$1 billion WA fund be allocated as an upfront equity co-investment to housing providers. Modelling undertaken for Shelter WA and Anglicare WA found that the establishment of this fund could create up to 5,330 social and affordable dwellings over the next 10 years.

**Recommendation:** Establish a \$1 billion affordable housing future fund.

## Supporting people in crisis

The sharp increase in the cost of living has placed significant financial stress on WA households. For many families, cost pressures have meant needing to access emergency relief, not using electricity to heat or cool their home, or skipping meals. As the costs of renting and living increase, we see a growing cohort of people experiencing in-work poverty. Meanwhile, those reliant on Commonwealth income support are pushed further into poverty, making it harder for them to find work and care for their families.

Increased financial pressures have seen a spike in demand for emergency relief services and for financial counselling. The *Emergency Relief and Food Access Service* (ERFAS) reported 3510 calls for support in June 2023, which is approximately a 35 per cent increase on calls received in June 2022. Those in financial difficulty are managing their finances the best they can but simply cannot afford rising costs. People in financial difficulty require timely support from a financial counselling service who can help manage debt and provide support to improve money management and help them out of trouble.

Funding gaps have meant emergency relief providers and financial counsellors are struggling to meet demand and have limited capacity to provide services to people in need before they are in crisis. This increases the risk that people fall deeper into debt and disadvantage. To ensure no Western

Australian is left behind, it is critical that the Cook Government increases investment in emergency relief and financial counselling services.

**Recommendation:** Increase emergency relief and financial counselling funding so that services can meet increasing demand, and support individuals out of hardship.

An immediate injection of funding into existing specialist homelessness services is needed. These services are at breaking point, as they grapple with the dual challenges of a growing housing crisis and insufficient indexation to meet the rising costs of service delivery. This investment is necessary to support current providers maintain their services while they await the outcomes of the *State Commissioning Strategy* processes. Western Australia cannot afford for homelessness services to have to shut their doors or to reduce their hours in the current environment.

**Recommendation:** Additional investment in homelessness services to address the indexation gap.

## **Getting households off gas**

Fossil gas has a finite future as an energy source in homes. A clear strategy is needed to guide the retirement of the existing gas network and set targets for electrification. Low-income households and renters face significant barriers to electrify their homes.<sup>3</sup> There is a real risk that an unmanaged process will mean those households who cannot easily electrify will be stuck paying increasing prices in a declining gas network.<sup>4</sup> Horizon's Power's recent Esperance electrification project provides the ideal case study to draw lessons from for the development of a whole-of-state gas substitution roadmap.

To avoid adding to this risk and imposing future costs on households to switch, a ban on gas connections to new homes is needed. <sup>5</sup> This approach has been seen in other jurisdictions such as Victoria, where from 2024 new homes and residential subdivisions will only connect to all electric networks. <sup>6</sup>

Financial support is needed to ensure that the retirement of the residential gas network is fair and equitable for those households facing the highest barriers to electrification. This should include

<sup>&</sup>lt;sup>3</sup> Brotherhood of St Laurence, <u>Enabling Electrification: addressing the barriers to moving off gas faced by lower-income residents</u> (Report, 2023).

<sup>&</sup>lt;sup>4</sup> Energy Consumers Australia, <u>Stepping Up: A smoother pathway to decarbonising homes</u> (Report, August 2023).

<sup>&</sup>lt;sup>5</sup> Tony Wood, Alison Reeve and Esther Suckling, <u>Getting off gas: Why, how, and who should pay?</u> Grattan Institute (Report, June 2023).

<sup>&</sup>lt;sup>6</sup> Hon Daniel Andrews, 'New Victorian Homes To Go All Electric From 2024' (Media Release, 28 July 2023).

support to replace gas appliances with efficient all-electric alternatives when current appliances reach end of life.

No matter the location or tariff type, analysis shows that it is more economic for new homes in WA to avoid a gas connection altogether. In the majority of circumstances where a gas appliance needs to be replaced, it is more economic to replace it with an electric appliance.<sup>7</sup>

Further, there is now extensive evidence that household gas connections have a serious impact on people's health. Gas stoves have been found to be a significant source of indoor air pollution, with around 12 per cent of childhood asthma in Australia is attributable to the use of gas stoves for cooking.<sup>8</sup>

Electrification is the only plausible direction away from using fossil gas in homes. Running electric appliances is four times cheaper than using biomethane, and more than ten times cheaper than using hydrogen. Further, the logistics of switching to a hydrogen-only or hydrogen-dominant network are complex, expensive and impractical, leaving electrification as the only sensible alternative.<sup>9</sup>

**Recommendation:** Ban gas connections to new homes and develop a roadmap to stage the transition to all-electric households.

### **Reaching wider with HUGS**

The 2023/24 State Budget included the welcome and much needed 10 per cent increase to the Hardship Utility Grant Scheme (HUGS) payment limits. HUGS payment limits had remained static since 2017/18, not keeping pace with increases in energy and water costs. This increase provides better support for those households experiencing difficulties with their utility bills.

Barriers to accessing these grants still remain for some utility consumers in financial hardship. Eligibility should also be expanded to include pre-payment meter customers and water utility customers living in public housing.

The current exclusion of pre-paid meter customers from HUGS is profoundly inequitable. These customers are very likely to be experiencing hardship and are at direct risk of being disconnected from their electricity should their funds run out.

Public housing tenants are also at risk of financial hardship. While they currently can access HUGS grants for energy bills, they are unable to access these grants for water bills, as they are billed by the Department of Communities rather than a water utility.

<sup>&</sup>lt;sup>7</sup> Renew, Affordable energy choices for WA households (Report, 2021).

<sup>&</sup>lt;sup>8</sup> Luke Knibbs et al, 'Damp housing, gas stoves, and the burden of childhood asthma in Australia' (2019) 208(7) *Medical Journal of Australia* 299.

<sup>&</sup>lt;sup>9</sup> Jay Gordon and Kevin Morrison, <u>Renewable gas campaigns leave Victorian gas distribution networks and consumers at risk</u>, Institute for Energy Economics and Financial Analysis (Report, 17 August 2023).

As the Department of Communities is also responsible for administering HUGS, it should be simple to develop a solution that enables Communities to refer tenants directly to the HUGS Service Centre to be assessed for the grant.

**Recommendation:** Expand eligibility for HUGS to include public housing tenants in water hardship and households with pre-payment electricity meters.

### Helping with the cost of water

Access to water is essential for people's health and wellbeing, and to meet their basic needs. Unlike with electricity, eligibility for water concessions is extremely limited in WA. The State Government rebates for consumption and service charges are only available to people who hold a pensioner concession card or seniors' card.

This means that many people who require financial support to access enough water to sustain reasonable living standards, such as those who are unemployed and reliant on Commonwealth income support, are not likely eligible for these concessions. Expanding the eligibility for water concessions to include people who hold a Health Care Card is essential.

Current legislation and billing systems can make it challenging for water utilities to be able to provide support to renters facing water hardship, with accounts often managed by landlords who then charge their tenants. Water efficiency education and assistance should also be included in programs such as the Household Energy Efficiency Scheme, as many of the households struggling with energy costs are likely to struggle with other bills.

**Recommendation:** Expand eligibility for water concessions to include people who hold a Health Care Card and support water efficiency in low-income households.

#### Mind the transport affordability gap

To encourage people to increase their use of public transport for commuting, we must ensure it is affordable and accessible for everyone in our community. The State Government has made significant strides in improving the affordability of public transport by capping fares at the cost of a two-zone journey. Building on this, we recommend introducing free travel options for those on lower incomes.

Currently, seniors' card-holders are able to travel for free on public transport during off-peak times. This should be expanded to others with the greatest need for free travel, such as those experiencing unemployment and those eligible for the recently established Asylum Seeker Hub concession.

A lack of affordable, accessible transport can also contribute to locking people out of the labour force. For instance, 17 per cent of the participants in the *100 Families WA* study reported transport was a barrier for them to gain employment. Car registration and drivers licence costs create additional hurdles for those who are unemployed to secure work that requires them to have access to a car.

Households in outer suburban and regional areas, where public transport options are limited or not present, depend on cars for transport. The introduction of a monthly payment option for car registrations from 27 September 2022 is a welcome step in assisting households manage their finances but will not reduce the burden those payments place on limited income.

In 2021, the Salvation Army reported a 90 per cent increase in requests for assistance to pay car registrations. <sup>11</sup> Uniting WA and Anglicare's *Emergency Relief and Food Access Service* have also seen a rise in demand for car registration payments. With only a select number of emergency relief providers able to pay for car registrations, those few that do are often overwhelmed with demand.

**Recommendation:** Extend transport concessions available to Age Pension recipients to all Centrelink Health Care Card holders (including free travel periods on public transport, driver's licence and car registration fee discounts).



<sup>&</sup>lt;sup>10</sup> Ami Seivwright and Paul Flatau, *The 100 Families WA Baseline Report,* The 100 Families WA Project (Report, 2019).

<sup>&</sup>lt;sup>11</sup> Josh Zimmerman, '<u>The Salvation Army pays car registrations for homeless West Australians</u>', *The West Australian* (online, 3 June 2021).

## Children, Youth and Families

Our children are our most precious resource. The early years of life are the most critical period in our development, and our families make the biggest difference in our lives. The transition to adulthood is fraught in a rapidly changing world and the support we provide our young people can help them find rewarding and fulfilling pathways through life.

### Improving access to early education and care

Early childhood education and care services provide a child's first introduction to structured learning and social play, which are critical to healthy early development and lifelong wellbeing. They also provide crucial support for the participation of parents, particularly mothers, in our workforce, thus strengthening our economy. At a time when our community faces critical skills shortages and families struggle with rising living costs, WA needs to invest more in effective measures to increase access to affordable childcare, as seen in other states.

The early childhood workforce in WA face skills shortages and a retention crisis. Many experienced early educators are leaving our workforce due to low and insecure pay, a lack of recognition and no career pathways. Subsidised TAFE courses for early educators are part of the solution, but quality standards also require experienced workers and supervisors. The drop-out rate among recent graduates is very high and young workers lack the support to learn the social and personal skills to manage a roomful of young children on the job. We need greater recognition and support for experienced early educators, giving them new roles and recognition as on-the-job mentors, supervisors and trainers. An in-fill program is also needed to ensure regional staff can take time out for professional development to step up to become mentors, supervisors and managers. A Workforce Development Fund would be an ideal solution.<sup>12</sup>

**Recommendation:** Create an Early Childhood Workforce Development Fund.

Access to early education is critical to early development, but it remains out of reach for many on low incomes or living in our regions. The WA Government can easily become a third-party payer to top up the Child Care Subsidy payments for groups of children aged birth to five experiencing vulnerability and disadvantage including those living in regional and remote locations. <sup>13</sup> Efforts to provide targeted assistance to recruit and retain regional childcare workers through local government subsidy programs can also be scaled up, building on recent learnings with active outreach to fill service gaps.

**Recommendation:** Provide per-capita grants and targeted subsidies to community-based early education and care services to fill the gaps in access to affordable care.

<sup>12</sup> Royal Commission into Early Childhood Education and Care (Final Report, August 2023). The <u>SA Government Response</u> commits to a Workforce Development Fund. The model can support <u>industry co-investment</u>.

<sup>&</sup>lt;sup>13</sup> Australian Government, '<u>Third-party payment of gap fees</u>', *Department of Education* (Web Page, 1 September 2023).

### An Office of Early Childhood

WACOSS and the Children's Policy Advisory Council welcomed the creation of a new Ministerial Portfolio of Early Childhood Education by the WA Government in December 2022 and the appointment of the Hon. Sabine Winton MLA to this role. This is an indication that access to quality early education is recognised as a priority in WA and provides an opportunity to better coordinate policy and resources across the early years. This should position the state well to revitalise our early education and care sector to boost access, equity and outcomes.

We are concerned that the WA Government has yet to put in place the governance, systems and resources needed to adequately support this role to deliver better policy and outcomes across the early years. There is a pressing need to create and resource an Office of Early Childhood that can provide support to the Minister and coordinate policy, decision making and resources across the Departments of Education and Communities in the short-term. In the longer term there is an opportunity to improve coordination across early childhood health and development service systems to improve outcomes and decrease lifetime health costs. There is also a need to create a partnership governance mechanism across the public and community sectors in the early years to enable this work, and to fill the gap in WA for an early childhood peak body.

**Recommendation:** Create and resource an Office of Early Childhood, assisted by a cross-sector partnership forum and peak body.

## Our commitment to keep our children safe

The recent evidence from the *Australian Child Maltreatment Study* created significant public concern, as it exposed that the prevalence of child abuse is much higher than previously thought. More than one in four Australians have experienced child sexual abuse and six in ten have experienced one or more forms of maltreatment. This equates to 178,602 children under the age of 19 in WA who have been sexually abused (107,301 girls and 46,667 boys) and 526,604 adults in WA who are the victims of historic sexual abuse (327,768 women and 132,903 men). In contrast, total state funding for child sexual abuse therapeutic services and Indigenous healing services is only \$6.1m per annum.

The experience of early maltreatment leads to much higher rates of health and mental health service usage later in life, with victims 1.4 times more likely to stay overnight in hospital, 2.4 times more likely to have six or more visits per year to a GP and 2.4 times more likely to be admitted for a mental health disorder or to visit a psychologist. Collectively, this evidence on the impacts of child sexual abuse through the life-course makes a compelling case that untreated trauma and the lack of counselling and support contributes to much worse health and mental health outcomes, costing our community billions of dollars.

<sup>&</sup>lt;sup>14</sup> Author's calculations based on 2016 WA Census data and proportions reporting sexual abuse in the *Australian Child Maltreatment Study* (2023).

Following the 2017 recommendations from the Royal Commission into Institutional Responses to Child Sexual Abuse, Australian Governments committed to implement the National Principles for Child Safe Organisations. WA has implemented just over half of our commitments in the first five years, but we have been slow to implement legislative oversight of child safe standards. We have also done little to resource frontline services to better prevent, report and respond to concerns about child sexual abuse. While the delay in implementation provides an opportunity for WA to build on best practice in other states, a lack of direction and certainty on oversight is holding back risk-averse and time-poor community organisations.

**Recommendation:** Provide a clear direction, timeline and resources for the implementation of Child Safe Standards in WA.

The responses to the Royal Commission have driven greater public awareness and a change in culture that encourages victims of child sexual abuse to come forward to seek justice and healing, with a national education campaign planned in 2024. This creates an opportunity to drive lasting change, but also heightens the risk of harm if our support system is not equipped to respond. Our service system is currently only able to support a fraction of those who have experienced recent or historic child sexual abuse.

It is critical anyone who is encouraged to come forward to report abuse should have quick and effective access to the support and advice they need – to keep them safe and assist them to deal with the trauma. Providing timely support and counselling can significantly reduce the burden of untreated trauma on our health and mental health systems, and greatly improve life outcomes for the victims of these terrible crimes.

**Recommendation:** Make a funded commitment that all victims of child sexual abuse will receive timely and adequate support when they report abuse, seek help and justice.

Funding for these services has fallen far behind the cost of service delivery over the fourteen years since the program was designed, with limited funding forcing many services to reduce staff numbers and operating hours. Waitlists for counselling and therapeutic services continue to grow – delaying and reducing access to support to those in critical need. We need to ensure that child sexual abuse therapeutic services and Indigenous healing services are accessible to <u>all</u> victims across W.A. We recommend an immediate top-up of existing services to reduce current waitlists and ensure service viability while the state conducts a six-month review of gaps in service coverage and unmet need.

**Recommendation:** Uplift funding for existing child sexual abuse therapeutic services and Indigenous healing services by 15 per cent.

**Recommendation:** Review current service coverage, unmet and projected need for child sexual abuse services to ensure all victims have timely access to support.

#### The best start in life

The early years of life are critical to healthy development. Child poverty has a profound effect on children. It restricts their ability to grow and learn, preventing them from reaching their full potential. Children growing up in poverty are also 3.3 times as likely to experience poverty in adulthood, perpetuating intergenerational disadvantage. Every child deserves the opportunity to have the best start in life, yet 23 per cent of Australian children are growing up in poverty today. One in five children in WA are experiencing housing stress, living in overcrowded housing or are homeless.

**Recommendation:** Commit to a target to evict zero children to homelessness for public housing in WA.

A healthy and forward-looking society puts their children first, ensuring that policy and investment decisions are seen through the lens of their future impact on children to realise the kind of world we aspire to. International best practice is to put in place governance systems that ensure legislative changes and budget decisions include a child impact assessment.<sup>15</sup> The WA Government should put in place a *Child Poverty Reduction Act*.

**Recommendation:** Create a Child Poverty Act that sets targets for child poverty reduction and implements a child poverty impact assessment.

Early nutrition is critical to healthy early development. Children who are hungry and undernourished struggle to pay attention and to learn at school, creating early disadvantage that impacts lifelong health, wellbeing and productivity. School lunch programs work best where they are shared social events where every child eats together, and no child is embarrassed or excluded by what is or is not in their lunchbox.

**Recommendation:** Create a universal child lunch program in all WA schools.

<sup>&</sup>lt;sup>15</sup> Child Poverty Reduction Act 2018 (NZ) and Children's Amendment Act 2018 (NZ); Child Poverty Act (Scotland) 2017 (Scot); Poverty Reduction Act SC 2019, c 29 s 315; Welsh Government, Child Poverty Strategy (Web Page).

# **Healthy and Connected Communities**

Western Australians want to live in a state that fosters healthy, culturally rich and engaged communities. This vision relies on everyone in our community having access to the building blocks of healthy and connected lives – including a safe and inclusive environment, adequate resources and access to primary healthcare and preventative services. Gaps in these basic needs threaten individual wellbeing and community cohesion.

The recommendations below reflect solutions identified by WA social services to improve community connectivity, increase gender equity, better serve Aboriginal communities, improve health and wellbeing, and ensure we are well placed to respond to disasters.

### **Connecting our communities**

Despite ever increasing pressure to be digitally connected, over the past decade Australians have experienced increasing levels of social isolation and loneliness.<sup>16</sup> The impacts of loneliness are far reaching - undermining wellbeing, disrupting community cohesion, and increasing ill health.

The lack of systems and resources to facilitate coordination across the social service sector, and between health and social services, makes it difficult for isolated individuals to connect with the services they need. Poor coordination means individuals often present to the incorrect service. This places unneeded pressure on services as, in addition to their normal load, workers must screen potential participants and re-refer those who do not fit program criteria. For the individual, incorrect referral can be distressing and confusing, absorbing time and financial resources and reinforcing the feeling that help isn't available.

National and international research has demonstrated that community navigator models (sometimes referred to as *social prescribing, community connection,* or *community referral*) offer innovative and effective approaches to connecting communities and bridging service gaps. These models are centred on system navigators with the knowledge and skills to connect individuals with the health services, community services, peer supports and social groups, that meet their needs and help achieve their goals.

Navigator models have demonstrated positive impacts for individuals, communities and government systems in the UK, New Zealand, Canada and the United States. Impacts include lower levels of social isolation and depression, increased confidence, increased community assets and volunteering, improved efficiency in care services, and reduced burden on emergency and primary health care.<sup>17</sup> Different iterations of the navigator model are currently being explored elsewhere in Australia, with

<sup>&</sup>lt;sup>16</sup> Alan Duncan et al, <u>Stronger Together: Loneliness and social connectedness in Australia</u>, Bankwest Curtin Economics Centre (Focus on the States Report Series No. 8/21, 2021).

<sup>&</sup>lt;sup>17</sup> NHMRC Partnership Centre, <u>Social Prescribing: a rapid literature review to inform primary care policy in Australia</u> (Report, 10 February 2020).

initial reports showing success. <sup>18,19,20</sup> These models offer the WA Government an innovative approach to reducing the burden on social and health services while improving outcomes for community members. <sup>21</sup>

**Recommendation:** Invest in navigator models that improve community connectivity and service coordination.

Volunteering is an important thread in the social, economic, and cultural fabric of our society. Volunteer work creates protective factors for volunteers by connecting people to community, preventing social isolation, providing family supports and achieving positive health and wellbeing outcomes. Volunteering also acts as the backbone of the community service sector, with three out of every four Australian charity workers being a volunteer.<sup>22</sup>

Rates of volunteering in WA are in a sharp decline, with a loss of over 22 per cent of formal volunteers in the past six years.<sup>23</sup> While several factors have contributed to this decline, volunteer organisations and volunteers consistently report that the cost of statutory screening is excessive, and the administrative burden creates a significant barrier to participation.

**Recommendation:** Reduce the burden of volunteer screening in WA by removing charges for volunteer checks, improving the administrative process for volunteer screening and portability of screening checks.

#### Improving health outcomes through community-based care

There is considerable inequity in health outcomes across WA. For some diseases, people living in regional and remote WA experience a mortality rate one and half times higher than those in metropolitan areas. Similarly, people living in low socio-economic areas face much poorer health outcomes than those living in the wealthiest areas and are twice as likely to experience diseases such as diabetes, coronary heart disease and stroke. These poor health outcomes arise from modifiable inequities in the conditions in which people are born, live and age, as well as structural inequities in the systems that shape our daily life – the social determinants of health.

<sup>&</sup>lt;sup>18</sup> Christina Aggar et al 'Social prescribing for individuals living with mental illness in an Australian Community Setting: A pilot study' (2021) 57(1) Community Mental Health Journal 189.

<sup>&</sup>lt;sup>19</sup> Christina Aggar et al <u>'Social prescribing as an intervention for people with work-related injuries and psychosocial difficulties in Australia</u> (2020) 3(1) *Advances in Health and Behaviour* 101.

<sup>&</sup>lt;sup>20</sup> Leanne FitzGerald, *Living Our Best Life Project: Trialling social prescribing in the city of Knox* (Report, 2020).

<sup>&</sup>lt;sup>21</sup> Royal Australian College of General Practitioners and Consumers Health Forum of Australia, <u>Social</u> <u>Prescribing Roundtable Report</u> (Report, November 2019).

<sup>&</sup>lt;sup>22</sup> Australian Charities and Not-for-profits Commission, <u>Australian Charities Report</u> (Report, 8<sup>th</sup> Edition, 7 June 2021).

<sup>&</sup>lt;sup>23</sup> Australian Bureau of Statistics *General Social Survey: Summary Results, Australia* (Report, 29 June 2021).

Community health services work within a social model of health to provide primary health, allied health, and social care to those most at risk of poor health outcomes. They use an innovative model of care that address both health and social needs. This has been shown to reduce health inequity, improve patient outcomes and empower individuals to self-manage their conditions. Community health services divert unnecessary hospital presentations and work preventatively to improve outcomes. This offsets service costs and reduces the pressure on the health system meaning there is more capacity within the acute care system to ensure those who need it most can access care when they really need it.

#### **PEEL HEALTH HUB**

The Peel Health Hub (PHH) is a one stop shop for the health needs of people in the Peel region, providing a coordinated response to health issues including physical health, youth mental health, women's health, sexual violence, family violence, and drug and alcohol issues. The PHH supports a comprehensive and coordinated model of care to improve the mental, social and physical health of its clients.

The heart of the PHH model is a clinical coordination team, which provides clients advanced clinical access interventions. They support new clients, maintain engagement and prevent deterioration, refer them to services, work with them to set goals, support inter-agency case management and provide a warm handover to the specialist care providers within PHH or external support agencies. This model effectively diverts potential admissions into public hospitals, resulting in reduced burden on the health system and better outcomes for individuals.

Peel Health Hub is currently seeking investment in Health Hub 2.0. This project includes an expansion of the Peel Health Hub infrastructure and model of care to increase the range of services on site. Health Hub 2.0 will provide additional services, such as adult mental health services, sexual assault forensic services, and services to support people with eating disorders. This project will deliver great economic and social benefit to the Peel community.

While the Sustainable Health Review acknowledges the importance of new models to achieve equitable health outcomes, the focus of the health system has not yet reoriented. Funding remains focused on delivering acute care and hospital infrastructure, with little investment to improve self-management within the community or prevent health issues from worsening until they become difficult and expensive to treat. The Cook Government should focus investment on community based preventative services that empower individuals to live healthier lives and reduce health system costs.

**Recommendation:** Invest in the expansion of existing community health services, including community health hubs and the development of new community health services.

As rising expenses, financial pressures, and economic uncertainties weigh heavily on individuals and families, the toll on our mental wellbeing builds significantly. For many Western Australians experiencing mental ill health, factors including stigma, cultural barriers and a lack of easy and timely access stop them from seeking the support they need to stay or become well. When people finally seek support, services are often inaccessible due to long wait times, significant gap fees or limited capacity for new admissions or referrals.

While gaps in service availability exist for a range of reasons, successive governments have continued to invest in acute and sub-acute mental health services rather than prevention and early intervention models. As funding has not been directed towards curbing consumer need, service demand has increased to the point where our system remains in crisis, despite the expansion of acute and sub-acute services. Ultimately, we have built a mental health system that is unable to keep people well or to respond to the thousands of Western Australians seeking support.

To support people to stay healthy in the community the Cook Government needs to increase investment in prevention, early intervention, and community-based psychosocial services, including step-up and step-down models and safe havens. Investing in these services now is particularly important to address increasing demand on the state system, with WA also needing to prepare for any reforms that may occur with the National Disability Insurance Scheme.

**Recommendation:** Increase funding to mental health services, including investment to community-based services and prevention and early intervention services.

Alcohol and other drug services are also facing tight operating environments and, in some instances, are struggling to meet demand. While the WA Mental Health, Alcohol and Other Drug Services Plan 2015-2025 outlined service needs, this plan was informed by population modelling from 2012/13, and is now outdated. It does not identify regional need and does not address the significant increase in alcohol consumption and drug use that has occurred since the COVID-19 pandemic.

Historically, inadequate funding across the care continuum has resulted in several system bottlenecks. For example, through-care to residential alcohol and drug treatment services is dependent on participants accessing withdrawal services. Limited availability of medical withdrawal services delivered by community services, and of medium-high withdrawal services, has limited the number of people who can access residential services. Out of date modelling in strategic service plans mean that into the future, this bottleneck is likely to get worse and increased need for these services will not be met.

To ensure all Western Australians can access the support they need, we must expand alcohol and other drug services across the spectrum of support, including harm reduction and treatment. This process must be informed by an evidence-based plan and up-to-date population modelling.

**Recommendation:** Invest in the expansion of alcohol and other drug services across the spectrum of support to ensure services can meet increasing need.

### Addressing harms from alcohol

Across WA rates of alcohol-related harms are alarmingly high. Each week eight deaths, 402 hospitalisations and 180 family violence assaults can be related to alcohol use. 24 Sadly, each year the number of people harmed by alcohol-related products increases. Not only does alcohol-related harm significantly impact the amenity of our communities, safety of roads, and health and wellbeing of our citizens, but it places significant pressure on our ambulance and hospital systems.

Tackling alcohol-related harm requires both strong policy change and considered investment in support services such as alcohol and other drug treatment, social and emotional wellbeing services, youth programs, adequate employment opportunities and family and domestic violence services. An innovative first step in addressing this issue is the introduction of a floor price, or minimum unit price, for alcohol in WA. Research shows a strong link between alcohol price, alcohol use levels and alcohol-related harm; the cheaper the alcohol, the more harm our communities experience. A floor price uses this relationship to reduce the harms by decreasing the accessibility of alcohol products. A floor price is carefully set a level that raises the cost of the cheapest alcohol product at the bottom end of the marker, which are often the products that cause the most harm. This approach has been seen to have significant community benefit in other Australia jurisdictions, and internationally.

While the introduction of a floor price is only one piece of the puzzle, this policy initiative is a great first step towards minimising alcohol-related harm and ensuring the Cook Government supports Western Australians in being healthy and safe.

Recommendation: Introduce a minimum floor price for alcohol in WA.

#### **Measuring what matters**

Following the announcement of the commitment to a Wellbeing Budget Framework by Federal Treasurer the Hon. Dr Jim Chalmers in October 2022, we have seen significant community engagement around wellbeing models leading to the release of a prospective national wellbeing framework in July 2023. The release of the *Measuring What Matters Statement* recognised that the

<sup>&</sup>lt;sup>24</sup> Cancer Council WA, WA Network of Alcohol and other Drug Agencies, Alcohol and Drug Foundation and Telethon Kids Institute, *WA's hidden crisis: Harm from alcohol* (Report, 2022).

<sup>&</sup>lt;sup>25</sup> Thomas F Babor et al, <u>Alcohol: No Ordinary Commodity: Research and public policy</u> (Oxford University Press, 3<sup>rd</sup> ed, 2022).

<sup>&</sup>lt;sup>26</sup> Frontier Economics, <u>Evaluation of Minimum Unit Price of Alcohol in the Northern Territory</u> (Report, 6 July 2022).

<sup>&</sup>lt;sup>27</sup> Public Health Scotland, <u>Evaluating the impact of minimum unit pricing for alcohol in Scotland: Final Review</u> (Report, 2023).

early years of child development are a focus of community concern, using a dedicated section on child wellbeing to broaden understanding and appreciation of the benefits of a wellbeing approach. It said that "...every child deserves the opportunity for the best start to life, setting a strong foundation to achieve their goals and dreams, no matter where they are born or raised."

Western Australia has a history of national leadership in research into child development, backed by a dedicated and experienced early childhood sector. We still have the opportunity to lead the national conversation by using our expertise to develop a child, youth and family wellbeing framework.

**Recommendation:** Create a WA child, youth and family wellbeing framework and strategy.

#### **Gender responsive budgeting**

Gender equity is at the forefront of conversations on community well-being. The WA Government has recognised the importance of gender equity, and committed to creating change, through Stronger Together: WA's Plan for Gender Equality.<sup>28</sup> This sentiment is also reflected in national policy where gender equity is identified as a cross-cutting dimension in the national Measuring What Matters framework. Gender responsive budgeting is an important tool that can be used to monitor progress towards gender equity, analyse the impact of the budget on equality outcomes and ensure the allocation of public resources addresses gender gaps. The Australian Government has recently demonstrated great commitment to gender responsive budgeting and now requires all Australian Government Departments to undertake gender analysis for New Policy Proposals and Cabinet Submissions.<sup>29</sup> Similar commitment has been shown in Queensland,<sup>30</sup> Victoria,<sup>31</sup> New South Wales<sup>32</sup> and the Australian Capital Territory<sup>33</sup> via the development of gender budget statements which detail spending measures and identify initiatives that may benefit women.<sup>34</sup> In 2023, WA provided a budget overview entitled Supporting Women. While the overview identified some initiatives focused on addressing gender equity, many of the items focused on population wide investment and lacked gendered analysis. It is also critical that these initiatives include and support people who are genderdiverse.

With the commitment by the Federal Government to introduce gender responsive budgeting, deliver an annual women's budget statement and apply gender impact analysis on decision making processes, <sup>35</sup> gender budgeting is likely to continue to be a key focus for National Cabinet. The Western Australian Government should build on the WA Women's Report Card and Women's

<sup>&</sup>lt;sup>28</sup> Department of Communities, Stronger Together – WA's Plan for Gender Equality (2023).

<sup>&</sup>lt;sup>29</sup> Department of Prime Minister and Cabinet, *Including Gender* (2023).

<sup>&</sup>lt;sup>30</sup> Queensland Treasury, <u>Investing for Women</u> (2023).

<sup>&</sup>lt;sup>31</sup> Victorian Treasury, *Gender Equality Budget Statement* (2023).

<sup>&</sup>lt;sup>32</sup> New South Wales Treasury, *Women's Opportunity Statement* (2022).

<sup>&</sup>lt;sup>33</sup> Australian Capital Territory Treasury, *Women's Statement* (2023).

<sup>&</sup>lt;sup>34</sup> Our use of the term 'women' includes all people who identify as a woman.

<sup>&</sup>lt;sup>35</sup> Australian Government, <u>Jobs Skills Summit Outcomes</u> (2022).

Budget Snapshot and engage with the national agenda by progressively introducing gender impact analysis in policy, budgets and service delivery.<sup>36</sup>

**Recommendation:** Create a gender-responsive budget unit in WA Treasury to deliver a Women's Budget Statement aligned with emerging national frameworks.

#### Addressing intergenerational trauma

The 1997 *Bringing them Home* report recommended that all Australian parliaments make appropriate reparation to respond to the effects of forcible removals and recognise the history of gross violations of the human rights of Aboriginal and Torres Strait Islander peoples.<sup>37</sup> Since that report, NSW, South Australia, Victoria and Tasmania have introduced Stolen Generations redress schemes, with the Federal Government announcing its own scheme in August 2021 for the Northern Territory, ACT and Jervis Bay. Western Australia had the highest proportion of children removed of any state and now has the highest rate of children of Stolen Generations parents and grandparents within our out-of-home care system.<sup>38</sup>

A dedicated Stolen Generations reparations scheme is necessary both as an acknowledgment of the significant and ongoing harm that these practices have caused and as part of the much-needed truth-telling identified in the Implementation Plan for Closing the Gap. The Cook Government has already demonstrated it is committed to improving outcomes for Aboriginal peoples living in Western Australia through investment in Aboriginal Community Controlled Organisations, empowering Aboriginal business leaders and funding for digital literacy. <sup>39</sup> As a state it is time to further our commitment to improved outcomes, right past wrongs and show we are a caring and unified community by introducing a WA Stolen Generations reparations scheme.

**Recommendation:** Establish a WA Stolen Generations Reparations Scheme.

#### Improving community resilience to climate change

A changing climate has altered the nature of the hazards we face, including increased frequency of extreme weather events. Disasters resulting from extreme weather events often overwhelm the

<sup>&</sup>lt;sup>36</sup>WA Department of Communities, <u>WA Women's Report Card</u> (2022); WA Treasury, <u>Supporting Women</u> budget snapshot (2023).

<sup>&</sup>lt;sup>37</sup> Human Rights and Equal Opportunity Commission, <u>Bringing them Home: Report of the National Inquiry into the Separation of Aboriginal and Torres Strait Islander Children from Their Families</u> (1997).

<sup>&</sup>lt;sup>38</sup> AIHW, <u>Aboriginal and Torres Strait Islander Stolen Generations and descendants: numbers, demographic</u> characteristics and selected outcomes (2018). SNAICC, Family Matters Report (Report, 2022).

<sup>&</sup>lt;sup>39</sup> WA Government, <u>Aboriginal procurement requirements</u> (2018); WA Government, <u>Aboriginal Community</u> <u>Controlled Organisation Strategy 2022</u> (2022).

resources of a community, causing significant harm to people, buildings, infrastructure and the economy.

The 2023 Intergenerational Report highlights the increasing cost of disaster recovery funding as a major challenge to the Australian economy. It projects that the increased frequency and severity of disasters may increase expenditure between 3 to 3.6 times over the next 40 years, equivalent to a cumulative expenditure of \$130 billion, if climate change is limited to under 3°C. <sup>40</sup> The Insurance Council of Australia found that resilience funding could provide returns of \$8.10 by 2050 for every \$1 invested under a scenario where global temperatures remain at current levels. If global temperatures continue to rise, the returns on resilience measures could be higher. <sup>41</sup>

Those experiencing poverty are much more vulnerable to the impacts of disasters and climate change. Poverty significantly increases people's susceptibility to poor health and wellbeing outcomes resulting from climate hazards such as heatwaves, droughts, floods, cyclones and wildfires. People in poverty have limited access to resources, disposable income and social connections and are thus less able to cope, adapt and recover from these hazards. Not having resources to call on during a time of crisis greatly reduces the options and increases the risk of poor outcomes, leading to long-term impacts.<sup>42</sup>

The *Community Disaster Resilience Strategy* is an initiative of the State Emergency Management Committee. It aims to increase the capacity of communities to cope with, and recover from, the impacts of disaster risks. Implementing the strategy will build a healthy, connected and resilient WA in the face of climate change.

**Recommendation:** Fund the implementation of the Community Disaster Resilience Strategy for Western Australia.



<sup>&</sup>lt;sup>40</sup> Treasury, *Intergenerational Report 2023* (2023) see Chart 5.6 page 106 and chart 5.7 page 107.

<sup>&</sup>lt;sup>41</sup> Insurance Council of Australia, *Reaping the rewards of resilience* (Report, 2022).

<sup>&</sup>lt;sup>42</sup> Intergovernmental Panel on Climate Change, <u>Climate change 2007: Impacts, adaptation and vulnerability</u> (2007).

# Safety and Resilience

All Western Australian's have the right to safe and supportive environments, in which they can thrive. Sadly, for many this is not the case. Our community is experiencing growing rates of family and domestic violence (FDV) and is increasingly concerned about child maltreatment. Widespread incidents of family violence are placing women and children at significant risk of harm and putting pressure on specialist FDV services. This is both a public health and a human rights crisis. Our current approach to community safety does little to address the root causes of crime. Instead, we rely on a punitive approach that has resulted in high rates of imprisonment and recidivism and the overrepresentation of Aboriginal peoples in the justice system.

The causes of crime are complex and are often linked to unmet social, economic and health needs such as intergenerational trauma, sexual or emotional abuse, mental ill health, poverty, drug use, family breakdown, violence, unstable housing or homelessness, financial issues, and entrenched disadvantaged.<sup>43</sup> If we hope to create resilient communities we must collectively adopt an approach that addresses the causes of crime and intervenes early.

### Keeping women and children safe

Since 2017 the WA State Government has invested more than \$200 million<sup>44</sup> in addressing family and domestic violence. Yet, the number of family-related offences continue to rise, with family-related offences up 18 per cent for 2022-23 compared to the previous year. This is almost a 35 per cent increase on the last five-year average.<sup>45</sup> In 2023, within a period of 11 days, the state witnessed the death of two women due to family and domestic violence. These figures, and the experiences of the people behind these numbers indicate we need to change our approach and focus on investing in services that deliver the deep social change required to address violence against women.

Specialist services are not currently able to meet the high level of demand. This undermines the safety of those escaping family violence and their potential for recovery. Consultation with our members confirm media reports of services forced to turn away hundreds of women and children they simply cannot support. Members spoke of the pressing need for more emergency and transitional accommodation services for women escaping violence, and the specialist support services needed to help both women, and their children, recover. Additionally, members recognised women must have access to affordable long-term housing to enter post crisis. Currently, limited access to long term housing is creating a bottle neck where women using family and domestic violence services system have nowhere to go. This results in many women being held in transitional accommodation longer than anticipated, which precludes others from using the services.

The *Domestic and Family Violence Crisis Talk*, held in late August, demonstrated the extensive and collective outrage and grief around the impacts of violence in WA. The Cook Government has proactively accepted this call to action, taking important steps to establish a taskforce that bolsters efforts to address family and domestic violence, establish a lived experience advisory group, and

<sup>&</sup>lt;sup>43</sup> Sarah Murray, Harry Blagg and Suzie May, <u>Doing Justice Differently: A community justice centre for WA feasibility study</u> (Report, June 2018).

<sup>&</sup>lt;sup>44</sup> Shannon Hampton and Phil Hickey, '<u>WA domestic violence sector calls crisis meeting</u>', *The West Australian* (online, 9 August 2023).

<sup>&</sup>lt;sup>45</sup> WA Police, *Crime Statistics* (Web Page, 2023).

reform gun laws to remove guns from the hands of perpetrators. The Cook Government can build on this momentum to fully fund the range of supports needed by women, families, and communities. The futures of women and children in our state rely on it.

**Recommendation:** Invest in a comprehensive response to family and domestic violence, including in the delivery of all asks raised in the WA Domestic and Family Violence Crisis Talks.

**Recommendation:** Increase funding for specialist advocacy, legal, and counselling services for women and children who have experienced family and domestic violence.

**Recommendation:** Establish a cross-government mechanism in WA to support departmental collaboration on family, domestic and sexual violence initiatives.

Adequate provision of services that keep victim-survivors safe is only one part of the puzzle. To ensure women and children are safe long term, work must be done to stop family and domestic violence before it starts through prevention programs, early intervention programs, and a consistent approach to perpetrator accountability. Importantly, all prevention and early intervention initiatives must be culturally appropriate and tailored to the needs of diverse women and men. An effective whole-of-government strategy to prevent and respond to sexual violence will also include a trauma informed approach to addressing the links between child physical and sexual abuse, victimisation and family violence.<sup>46</sup>

Accommodation services are also needed for men who use violence so that, where it is safe to do so as part of an accountability program, women and children can remain safely at home and experience less disruption.

**Recommendation:** Increase investment in family and domestic violence early intervention and prevention to facilitate the expansion of current programs and development of new ones.

**Recommendation:** Increase investment in services for men that increase perpetrator accountability, including early-stage voluntary men's behaviour change programs and accommodation services.

<sup>&</sup>lt;sup>46</sup> WA Government, Sexual Violence Prevention and Response Strategy (Consultation Paper, August 2023).

## Raising the age of criminal responsibility

Aboriginal and Torres Strait Islander children and young people in the WA justice system are incarcerated at the most disproportionate rate in the country, and one of the highest rates in the world. A study by the Telethon Kids Institute at Banksia Hill identified that 90 per cent of young people in detention have at least one severe neuro-developmental impairment, with one in three young people in custody having Foetal Alcohol Spectrum Disorder.

Not only is our current approach to incarcerating children unjust, it is also profoundly damaging to their long-term wellbeing. Many studies have shown that detention is detrimental to a child's psychological health and mental wellbeing in both the short and long term. Detention also disrupts children's education and social development, as well as exposing them to other children and young people who may encourage anti-social and offending behaviour.

Further, this approach fails to effectively rehabilitate and reintegrate young people, as is demonstrated by high recidivism rates, with 52.6 per cent of children in juvenile detention in 2022/2023 having been in detention previously.<sup>47</sup> Even through a cold economic lens, keeping children in detention cannot be justified, with it costing nearly nine times as much to incarcerate a child than to support them in the community with other interventions.

There are strong developmental reasons why the global age of criminal responsibility is 14 years old and not 10, as it is in Western Australia. It is time for us to catch up to the rest of the world and raise the minimum age of criminal responsibility to at least 14 years old, finally ending the practice of WA children aged 10 to 13 years old being charged, tried and sentenced.

Recommendation: Raise the age of criminal responsibility to 14.

#### A whole of government approach to youth justice

In WA the responsibility for youth justice outcomes sits across multiple portfolios and agencies. While a multidisciplinary approach is appropriate to address the multi-faceted nature of crime, to be effective, interagency work must be supported by an overarching strategy that ensures efforts and investment are working towards shared goals, models, and outcomes.

The absence of an overarching strategic direction for youth justice in WA, and the lack of direct Ministerial responsibility, means WA operates a system lacking the capacity for interagency coordination and accountability. In practice, this system has facilitated a reactive approach to youth crime that prioritises acute responses rather than effective alternatives that better respond to the needs of children and young people.

To turn the dial on youth justice and stop the over representation of Aboriginal young people in detention, WA must adopt a justice reinvestment approach.<sup>48</sup> To be effective, this approach will

<sup>&</sup>lt;sup>47</sup> WA Budget 2023-24, <u>Budget Paper No.2</u>, <u>Budget Statements Volume 2</u>. p 420.

<sup>&</sup>lt;sup>48</sup> Australian Law Reform Commission, <u>Pathways to Justice – Inquiry into the Incarceration Rate of Aboriginal</u> and Torres Strait Islander People, (Report No 133, March 2018).

need to be supported by a whole of government youth justice strategy, focused on addressing youth justice outcomes and creating clear mechanisms of responsibility, accountability, and collaboration.<sup>49</sup> The Department of Premier and Cabinet is best placed to hold responsibility for a multi-agency response to deliver a youth justice strategy, justice reinvestment model and youth justice coordination.

**Recommendation:** Develop a whole of government vision and strategy to improve youth justice outcomes across the life-course, in partnership with community and the sector.

To support a whole of government approach and vision to youth justice, WA must also develop youth justice targets. Measurable targets that track progress towards the vision and goal provide a mechanism to improve accountability and improve youth justice outcomes that requires agencies to develop strategies for reducing inequity. Justice targets can play a critical role in addressing the underlying causes of offending behaviours to reduce incarceration rates, where intergenerational mistreatment, trauma, disadvantage and mistrust need to be resolved and reduced.

Targets for the youth justice system must focus on therapeutic and effective interventions, be outcomes based, set accountability, and capture both engagement in services and improvements in community safety. In practice, this means targets should not only measure successes in diverting Indigenous people from the criminal justice system, but also their level of engagement with the services they are diverted to, and the outcomes of this engagement. Some examples of targets include reduction in the real term number of young people in detention or increased rates of police diversions and referrals, including reasons for referral.

The significant impact of detention on the lives of young people, their families, and their communities, means the process of developing youth justice targets must be rooted in considered community consultation. This is to ensure that targets are appropriate and align with the wants, aspirations, and strengths of the communities which they impact.

**Recommendation:** Develop state-wide publicly reported youth justice targets in partnership with community and the sector to reduce the number of children and young people in detention and address the causes of offending.

#### Justice reinvestment - prioritising diversion

Justice Reinvestment is an approach that empowers local communities to intentionally address the underlying causes and social determinants of criminal behaviour. In doing so, justice reinvestment seeks to create safer communities by preventing crime, rather than predominantly focusing on the more expensive aspects of reacting to crime after it has occurred, such as policing, prosecution and incarceration. Originating in the United States, justice reinvestment in Australia has evolved to

<sup>&</sup>lt;sup>49</sup> Social Reinvestment WA, <u>Blueprint for a Better Future: Paving the way for youth justice reform in Western</u> Australia (Report, 2022).

uniquely focus on supporting Aboriginal communities' self-determination to improve justice outcomes in their community.<sup>50</sup> Justice reinvestment is place-based and will vary according to individual community needs and priorities but will commonly focus on early intervention and prevention opportunities.

The Federal Government has committed \$81 million over a four year period and \$20 million per annum thereafter to support justice reinvestment initiatives, with the aim of reducing the incarceration of Aboriginal young people and adults, in alignment with the *National Agreement on Closing the Gap*. <sup>51</sup> The Commonwealth process offers a significant opportunity for the State Government to leverage work already underway in WA and co-invest in systemic solutions that address one of our most pressing problems.

**Recommendation:** Support local communities to implement justice reinvestment in Western Australia through co-investment with the Federal Government's Justice Reinvestment Program.

Western Australia's size, diversity and differing local circumstances mean community-driven solutions are critical, with centralised processes unlikely to effectively respond to local community contexts and issues. Historically rigid and top-down approaches from government means co-investment in justice reinvestment must support the self-determined priorities of communities and be flexible to meet their changing needs over the long term.

Cross-government coordination is needed to ensure government agencies can effectively partner with and resource communities working on justice reinvestment approaches that require collaboration. Early intervention, prevention, and diversion approaches impact multiple agencies of the WA Government. Active work is needed to ensure agencies are prepared, authorised, and able to collaborate with each other and communities to meet community goals and outcomes. This includes mechanisms for sharing information, data, and funding.

Interest is high and momentum is building for this work. The lessons to date from the Target 120 initiative and Social Investment Data Resource can now be built on with Justice, Police, Health, Education, Child Protection and Mental Health data linked through PeopleWA and a commitment by the Office of Digital Government to include community services and Aboriginal Community Controlled Organisations in data sharing arrangements over the coming period. 52

**Recommendation:** Establish a cross-government mechanism in WA to support departmental collaboration on justice reinvestment initiatives.

<sup>51</sup> Attorney General's Department, *Justice Reinvestment* (Web Page, 2023).

<sup>&</sup>lt;sup>50</sup> Justice Reinvestment Network Australia (Web Page).

<sup>&</sup>lt;sup>52</sup> Office of Digital Government, *Data available in People WA* (Fact Sheet, June 2023).

# **Thriving in Our Regions**

Regional communities experience many of the issues raised in this submission with greater intensity. Three key issues were raised loudly and consistently in regional consultations we held this year: the cost of living, workforce recruitment and retention, and access to childcare. Living costs are higher and the essentials of life are harder to come by. Rental affordability has become a barrier to staff recruitment, as staff on care sector wages often cannot find accommodation they can afford in regional centres. The cost of food and fuel is challenging, transport and childcare can be difficult and expensive to access, and it costs more to heat or cool poor-quality housing in the face of greater extremes of temperatures experienced in regional areas.

## A long-term vision

Western Australia is a vast state with an ever-growing population. The 2023 *Intergenerational Report* suggests our population will nearly double in the next four decades, growing from almost 2.8 million today up to around 4.5 million by 2063. This population will have a higher age-dependency rate, are more likely to be recent migrants, and will face significant challenges from a warming and more unpredictable climate, with increased risk of disasters.<sup>53</sup>

For those outside of Perth, the tyranny of distance can mean that their towns and regions lack the social and health infrastructure needed to support healthy, safe and connected communities. Dental, mental and maternal health services are often absent and patchy. There is a chronic lack of crisis accommodation, particularly for women and families fleeing violence, and young people at risk. There are huge gaps in disability, aged care services and respite services. Services can be siloed and fragmented, requiring community members to travel significant distances to access the support they require. At the same time, severely understaffed and under-resourced services have growing waiting lists, with services under enormous pressure and unable to meet need.

A forward-thinking WA Government will begin planning now for the future, prioritising the development of both physical and social infrastructure in the regions to enhance liveability and sustainability. We need to encourage the development of dynamic and self-sustaining regional economies that leverage regional opportunities and advantages. Regional development needs to move beyond a focus on primary industries to build liveable, resilient and welcoming communities. Our State Infrastructure Strategy acknowledges the importance of social infrastructure, but does not yet systematically plan for it. Investing in capability of the regional care economy supports the well-being and social inclusion of people who live in our regions and diversifies local economies to create job opportunities outside of mining, agriculture and tourism that are less influenced by economic cycles.

**Recommendation:** A long-term regional development strategy that invests in both physical and social infrastructure to grow resilient and thriving regional communities.

<sup>&</sup>lt;sup>53</sup> Australian Government, <u>Intergenerational Report 2023 - Australia's Future to 2063</u> (Report, 2023).

<sup>&</sup>lt;sup>54</sup>State Infrastructure Strategy: Foundations for a stronger tomorrow (2022) see Recommendation 21. WA Government Response: State Infrastructure Strategy (2023).

## Finding solutions in place

Social development in regional Western Australia should be driven by community-based programs and initiatives that are created and sustained locally. Place-based solutions are better able to develop comprehensive and effective responses to complex issues, particularly in regional and remote areas. Empowered local leadership and effective community engagement creates the possibility for a more inclusive approach to regional social planning, together with greater coordination of service system design to create more integrated, responsive and appropriate regional services and deliver stronger, more sustainable outcomes.

The State Commissioning Strategy correctly identifies the future commissioning of integrated place-based solutions as a critical step to delivering more efficient and effective local services in the future. However, regional service managers and community leaders have expressed concern that short-term budget decisions and a preference for commissioning centralised service models has eroded regional leadership capacity. There is a real risk that, by the time government agencies are ready to take this next step in service reform, we may have lost many of the local connections, insights and relationships of greatest value.

There is a need to build and maintain local community service sector network capacity to ensure the connection, coordination and local knowledge needed for on-the-ground success. Proactive networking is critical in regional Western Australia, where small communities can be separated by large distances and service providers frequently work in isolation. Insight and personal connection are fundamental to effective cross-referral between services to deliver wrap-around supports and transformative outcomes. Warm referrals that are based on and build trust can be critical to the path from service dependence to self-management, but are easily undermined by short-term contracts, frequent staff turnover, or service funding models that prioritise throughput over genuine outcomes. Professional networks and peer support are also a protective factor against burnout. 55

**Recommendation:** Invest in regional service delivery networks and support local leadership to develop and deliver place-based solutions.

#### **Growing community sector worker housing**

While community services across Western Australia are facing recruitment challenges, regional services face the added challenge that new staff on care service wages simply cannot find anywhere they can afford to live in most regional centres. The WA Government has tackled this challenge for public sector workers in the past by building Government Regional Officer Housing (GROH).

GROH houses are available to public sector employees delivering essential public services, such as teachers, health workers and police. In theory, these houses should be accessible to care workers

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<sup>&</sup>lt;sup>55</sup> Infinite Potential, *The State of Workplace Burnout* (2023).

delivering public services, but in practice there are few places available and existing community service contracts do not cover the cost of the lease.

Housing costs have a disproportionate impact for low waged workers. A recent report by Anglicare Australia and Everybody's Home, a national coalition of housing, homelessness and welfare organisations, has revealed the impact high rents are having on essential workers. This analysis compares data on rents against the award wages for fifteen essential worker categories. It found that workers in hospitality, meat packing, childcare and aged care were found to be spending the highest percentage of their income on rent. In the Goldfields and south West WA, an aged care worker would have to spend 60 per cent of their income on rent, and 77 per cent in Northern WA. A childcare worker would have to spend 62 per cent in the Goldfields and South West, and a staggering 80 per cent in the north of the state.<sup>56</sup>

We need to build more key worker housing in our regional centres, and ensure these places are affordable and accessible to all workers delivering critical public services. Service contracts in regional centres lacking accessible and affordable housing need to include the cost of housing subsidies, with tender processes including consideration of how workers will be housed to ensure these services can be delivered to areas of need.

**Recommendation:** Build housing subsidies into service contracts for regional centres where worker housing is unaffordable and create more key worker housing when possible.

### **Accessing health services**

Improving the availability and affordability of health services in the regions is a key concern. Many people in regional areas struggle to access health and mental health care and support, as well as general practitioners who offer bulk billing. Patients often have to travel long distances to metropolitan areas for essential and specialist services that are not provided locally, which creates significant challenges and financial burdens.

While the Patient Assisted Travel Scheme (PATS) has been established to help eligible regional residents with travel costs, many community members have raised concerns that PATS has not maintained sufficient relativity with the rising cost of living. Concerns have also been raised with the design of the scheme not meeting the needs of those living in regional areas who must travel significant distances to access health services.

<sup>&</sup>lt;sup>56</sup> Anglicare Australia and Everybody's Home, <u>Priced Out: An Index of Affordable Rentals for Australia's</u> <u>Essential Workers</u> (Report, 2023).

#### A STRUGGLE TO ACCESS QUALITY CARE IN THE REGIONS

Service providers from the Great Southern expressed the concerns of many living in regional WA when they stated that, "there is just such a lack of affordable services, particularly for kids with Autism, ADHD or mental heal issues, that people just aren't getting the help they need".

Providers noted that often specialist services were provided to clients via telehealth, which although helps increase service availability, has problems around accessibility, resulting from poor internet connection. For instance, a service provider reported she was often unable to provide the care people needed using telehealth models, as working this way is a "bit of a potluck". Poor connectivity and reception issues meant that her clients often dropped out part way through the session or had poor sound quality.

Services in regional areas acknowledged that PATS does help patients access medical services in metropolitan hubs, but also highlighted the service provided did not reflect the needs of the people accessing it. For example, due to slow processes, difficultly navigating the system, and bureaucracy, many people are having to organise their transport and accommodation for specialist appointments themselves and pay in advance, hoping they will be reimbursed later. This is not a viable option for a large proportion of the population, who do not have savings or income in reserve. Service providers also indicated that often it was not clear what PATS would reimburse, and often inappropriate transport options were chosen by PATS because they were cheaper.

It is also critical that we improve access to specialist and allied health services within regional areas. WACOSS members raised serious concerns about a lack of specialist child services, including services required to diagnose and support children who are neurodiverse. Significant gaps were also identified in access to services such as dental, mental health, occupational therapy, counselling and other specialist services. Locating these services within local areas ensures it is easier for communities to navigate services, and reduces barriers to access, such as distance.

**Recommendation:** Review the Patient Assisted Travel Scheme to improve the adequacy and effectiveness of the support provided.

**Recommendation:** Invest in specialist, allied and dental health services in the regions to ensure all community members can access the care they need.

# **Bridging the digital divide**

Being able to access digital services is not a luxury, but a necessity. Digital technology has increasingly become necessary for people to access government services, such as health care, education, and social security, as well as to participate in and contribute to their community. Not everyone, however, has the same level of digital access, and some people face significant barriers to connectivity.

One in four Western Australian households in the lowest income quintile do not access the internet, compared to almost universal access for the highest quintile. After housing costs, families in the lowest income quintile are typically committing around 3.7 per cent of their total expenditure to digital goods and services, while the third income quintile is committing around 3 per cent and the highest quintile around 2.5 per cent. Significantly, one in ten families in the lowest income quintile, are committing 10 per cent or more of their total expenditure towards digital products and services.<sup>57</sup> In 2018, it was found that although 83 per cent of Western Australian households had internet access, in some regional areas there were fewer than 50 per cent of households connected.

During consultation, members also noted that many services in regional areas are adopting online or 'tele-service' models, rather than placed-based service provision. While this approach can expand what services are available, members noted that often internet connection was not sufficient to practically offer services in this way. Poor connectivity means that videoconferencing cannot be accessed effectively, or that it regularly freezers or glitches — wasting precious time during a treatment session. People who lived outside of regional hubs reported extreme difficultly accessing online services. For many social services, dealing with complex personal issues online services alone are often not sufficient or effective.

The WA Government, Commonwealth and industry have committed \$25.5 million to deliver new and improved fixed and mobile broadband connections across the Kimberley, Pilbara, Goldfields, Esperance and Mid West.<sup>58</sup> This is a good start, but more needs to be done to improve access and affordability in regional areas. Affordability remains a barrier to digital access for some in our community, restricting their access to government services online, their opportunities to find and maintain work, and their participation in our community. As a result, more free Wi-Fi hubs in public spaces are needed to provide equitable access to digital services.<sup>59</sup>

**Recommendation:** Improve access to fixed and mobile broadband in regional and remote locations, and support more free Wi-Fi hubs in public spaces.

<sup>&</sup>lt;sup>57</sup> Steven Bond-Smith et al, <u>Falling Through the Net: The Digital Divide in Western Australia</u>, Bankwest Curtin Economics Centre (Focus on Western Australia Report Series No. 11, 2018).

<sup>&</sup>lt;sup>58</sup> '<u>Digital Inclusion in WA Blueprint – Implementation Program'</u>, WA Government (Web Page, 12 January 2023)

<sup>&</sup>lt;sup>59</sup> 'Western Australia regional digital enhancement', Infrastructure Australia (Web Page, 18 February 2022).

# **Services for a Growing State**

Western Australia's population has grown rapidly over the last two decades, but our service system and social infrastructure has not kept pace with changing community need. The lack of population and needs-based funding for community services results in worse outcomes for individuals in crisis and our community, putting greater pressure on crisis services. A lack of prevention and early intervention services means some will fall hard and may never recover their finances, their mental and physical health, and/or relationships. Our current workforce challenges are structural and likely to persist for some time, so we need to do more to better support current workers and to enable the participation of under-represented groups. Well-funded community services can support and enable greater workforce participation, boosting local economies and improving community cohesion in the process.

### A shared vision

Improving outcomes for Western Australians requires the WA Government and the community service sector to work together on solutions to our most challenging problems. Work to date, including the State Commissioning Strategy, agency implementation plans, joined up strategies to tackle homelessness, family and domestic violence, and better approaches to delivering emergency relief, has built the foundations of the strong and collaborative relationship required to drive change. We hope to see these strategies put into action, and properly resourced, to meet the challenges of a growing community.

To support ongoing collaboration between the government and the sector, WACOSS and the community services sector are calling for a Community Accord. A coming together to develop a shared vision across the WA Government, our public agencies, and community-based services that commits to a shared set of goals and outcomes that turn things around and build a stronger future for all Western Australians.

**Recommendation:** Establish a Community Services Accord developed in partnership between the WA Government and the community service sector that outlines a set of shared goals and commitments and a plan to achieve them.

# A service system responding to growing need

Western Australia is a vast state with a growing population. As the population grows there are two factors that must be considered regarding service delivery: are there enough services available to meet increasing demand, and are services available where people need them the most?

During our consultations, frontline community services raised concerns about inadequate service funding and unmet need. Most service funding had been capped for many years, shrinking in real terms as the cost of delivery has risen. Demand has increased and grown more complex while

service capacity has been reduced. This has led to long waiting lists, particularly for services such as mental health, counselling, and specialist services.

Communities also raised serious concerns about gaps in the geographic availability of essential services, particularly in newly developed and regional areas. As communities have grown, service locations have become unevenly distributed, making them hard to find or to reach. For example, in the Peel region stakeholders indicated childcare is not widely available in the suburbs that home young families.

While there is a strong understanding that some Western Australians are missing out, WA lacks a coordinated data set on demand, service distribution, and unmet need. Without this data, it is difficult to systematically fill service gaps and ensure all WA community members can access the services they need.

**Recommendation:** Undertake a state-wide review of social services gaps, including demand and unmet need, population growth and changing demographics, to create service maps and a state-wide plan for services.

# Sustainable service funding

Sustainable funding models are key to the delivery of services that meet the needs of the WA community, and a strong community service sector. Sustainable funding models must consider adequate funding to meet current demand (that is, baseline funding), potential to grow baseline funding to meet future demand, and mechanisms to uplift funding in response to market and inflation pressures.

Peak bodies have responsibilities outlined in the State Commissioning Implementation plan. <sup>60</sup> Peaks are uniquely positioned with the necessary expertise, connectivity, and technical experience to help government understand quality service outcomes and what represents value for money. Over time our Peaks become repositories of institutional knowledge and experience that ensure the intellectual property and experience developed over time is retained and leveraged. They play a crucial role by representing a sector perspective that can facilitate insight from frontline practice into policy and planning that is independent of the interests of any one provider.

Current structures for consultation with the community service sector and its peak bodies are ad-hoc and inconsistent, often focussed on sharing information, rather than genuine consultation. There are differing approaches and levels of interest across government line agencies on sector engagement. Any genuine approach to developing effective service systems needs to meaningfully engage with peak bodies on systemic reform.

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<sup>&</sup>lt;sup>60</sup> WA Government, *State Commissioning Strategy Implementation Plan* (2023).

The State Commissioning Implementation Plan needs to establish a cross-government, cross-sector representative governance mechanism to address sector sustainability. Responsibilities would include:

- Review the current indexation policy.
- Provide evidence of programs and services that have become unsustainable.
- Provide advice and evidence on sustainable funding, costing and pricing analysis and trials.
- Assist central agencies to conduct reviews of sustainable funding model options and funding considerations.
- Engage with the authorising environment to address government priorities and process.

**Recommendation:** Establish a Sustainability Working Group with responsibility under the State Commissioning Implementation Plan to address sector sustainability.

Service providers report there is currently significant misalignment between the funding provided via baseline funding and indexation, and the demand for and value provided by services. While this misalignment has occurred and increased over successive governments, we have now hit a critical point where available funding is not sufficient to deliver the services required.

### A SERVICE SYSTEM UNDER PRESSURE

Members reported that significant cost increases, unmatched by uplifts to baseline funding, are leading to unneeded service pressure. For example, over the last five years an established medium sized community service organisation in the southwest documented astronomical increases in the cost, including:

- 110 per cent increase in council rates
- 177 per cent increase in office cleaning
- 180 per cent increase in water rates and consumption costs
- 550 per cent increase in workers compensation insurance
- 76 per cent increase in other insurances
- 19 per cent increase in wage rates.

Over this period, the same service only received a 6.6 per cent increase to service funding.

Increased costs and increased demand mean that funding that was once adequate simply no longer goes as far. In practice, this means that to stay afloat, services must reduce the number of people they can support and the types of services they provide. The practical reality of unsustainable service funding is stark in a landscape where demand for services is increasing, and needs are becoming increasingly complex.

A significant gap between funding indexation and direct labour cost increases has been a consistent trend for community organisations for years in WA, as service contracts have continued to be rolled over rather than recommissioned. Our analysis estimates that this has resulted in a gap of 13.41 per cent over the past 10 years to the real cost of service delivery.

Financial Year	NGHSS Indexation	Formula	National Wage Case	Superannuation Guarantee	Differential
2014/15	2.65%	20% CPI, 80% WPI	3.00%		-0.35%
2015/16	1.90%	20% CPI, 80% WPI	2.50%		-0.60%
2016/17	1.60%	47% CPI 53% WPI	2.40%		-0.80%
2017/18	0.83%	73% CPI, 27% WPI	3.30%		-2.47%
2018/19	0.83%	100% CPI	3.50%		-2.67%
2019/20	1.47%	20% CPI, 80% WPI	3.00%		-1.53%
2020/21	1.67%	20% CPI, 80% WPI	1.75%		-0.08%
2021/22	1.30%	20% CPI, 80% WPI	2.50%	0.50%	-1.70%
2022/23	3.53%	One off adjustment - CPI 50%, WPI at 50%.	4.60%	0.50%	-1.57%
2023/24	4.61%	20% CPI, 80% WPI, plus 0.5% superannuation	5.75%	0.50%	-1.64%
				Total	-13.41%

The Cook Government has demonstrated its commitment to ensuring community services are appropriately funded by increasing current and future indexation rates for Non-Government Human Services to account for increases to the superannuation guarantee. They are also continuing discussions on how updated commissioning processes can uplift baseline funding and by agreeing to review the *Non-Government Human Services Sector Indexation Policy*. These actions provide a great opportunity to ensure the community service sector is funded in a way that enables sustainable service delivery. We appreciate these steps forward and hope to continue to work collaboratively with the Cook Government on this challenge.

**Recommendation:** Line agencies work with the community service sector to identify the true cost and value of community services to ensure baseline funding is appropriate now and into the future, with recommendations progressed to Cabinet and ERC within six months.

**Recommendation:** Update the *Non-Government Human Services Sector Indexation Policy* to ensure sustainable funding of all future service contracts.

The Cook Government, the Department of Communities and the Insurance Commission of WA continue to work with youth homeless services and out-of-home care services to address the problems with physical and sexual assault insurance cover and provide temporary indemnity. WACOSS is concerned that other services working with children and young people are also experiencing difficulties securing insurance cover, with cost increases threatening to make service delivery unaffordable. Ultimately an ongoing national or nationally consistent solution is needed.

**Recommendation:** Extend temporary indemnity and put in place an ongoing solution to ensure access to physical and sexual assault insurance cover for all affected services in WA.

# Addressing workforce challenges

A strong and engaged workforce is the backbone of the community service sector, with 70-80 per cent of community service running costs going towards staffing. Despite the critical role of staff, the sector is experiencing a recruitment and retention crisis.

Service providers report that the limitations of current service contracts impact on recruitment and retention because funding agreements limit how much staff can be paid and the level of job stability that can be offered. Due to limited funding uplift over successive governments, the community service sector is unable to offer staff competitive salaries compared with the public or the private sectors. While traditionally, those working in the community service sector have reconciled lower wages with the satisfaction they get from their work, insecure work, increased stress and cost of living pressures have reduced the desirability of community work. In many roles, despite increasing demand, reductions in service funding in real terms has resulted in significant cuts to work hours, leaving many staff underemployed. This has led to a contradictory situation where service providers cannot secure staff for newly funded programs, while at the same time other staff in similar roles desperately want more work.

The tendency for programs to be funded by short-term contracts that are renewed at last minute (or after the previous grant period has ended) greatly reduces the stability and security of work. Several organisations recounted instances where they did not hear if program contracts were going to be renewed until the day before the contract ended. By this time many staff had already found other employment, creating gaps in service provision, increasing administrative costs, and leaving vulnerable clients in the lurch.

In the current environment, the community service sector has become a 'nursery' for highly skilled employees — with individuals beginning their career in the community service sector, gaining highly valuable skills, and then being pulled away to higher paying and more stable environments. In

practice, this means organisations are losing the highly skilled people required to deliver effective services.

Solving the workforce recruitment and retention crisis requires a multi-pronged approach. A key component of the solution is improving the way services are contracted and funded. While state-wide commissioning reforms are a significant step towards solving this challenge, these reforms will take time to deliver. In the interim, we need to top up service funding and provide greater certainty to ensure services can achieve an appropriate level of service delivery and retain staff. It is both quicker and more effective to enhance the capacity of established services and give more hours to underemployed staff than it is to commission new services and recruit new staff.

More local and subsidised VET traineeships are also part of the solution. The community service sector offers flexible employment, welcomes diversity, and provides satisfying careers. As such, the sector is often attractive to under-represented groups, such as women and First Nations People. Subsidised VET courses relevant to community service sector work is a viable way of attracting under-represented groups, particularly those living in regional and remote areas, to work. Reducing the barrier to entry through subsidised training not only helps to build the community service workforce, but ensures underrepresented West Australians have the skills to participate equally in social and economic spheres. This approach is well aligned to Priorities Two and Three in the Government of Western Australia Department of Training and Workforce Development Strategic Plan. 61

Another option is increasing on-the-job training to address high drop-out rates during the stressful first few months of graduate work. Working with people in human services is relationship-based, so experiential learning is critical to developing skills and applying knowledge effectively. Workplace learning and the recognition of experience in mentoring and supervisory roles also creates flow on benefits for other staff. For example, it creates professional development opportunities and career progression for skilled and capable staff by allowing them to move into management positions and offers more opportunities for people with lived experience of hardship to sharing their own insights and experience.

**Recommendation:** Address care and social service recruitment and retention crisis through sustainable long-term service contracts and provide top up funding until services are recommissioned.

**Recommendation:** Develop in place training and blended delivery models that cater for both new and existing workers in community services.

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<sup>&</sup>lt;sup>61</sup> Department of Training and Workforce Development, <u>Strategic Plan 2023-2028</u>, Government of Western Australia (Report, 2023).

# **Acknowledgements**

WACOSS held community conversations in Albany, Broome, Bunbury, Busselton, Geraldton, Kalgoorlie/Esperance (online), Karratha, Kununurra, Mandurah, Metropolitan Perth (north, south & east), Newman and Port Hedland. In addition, meetings were held with a number of peak bodies. The community conversations were held from July to August 2023.

We thank and acknowledge everyone who participated in the community conversations, provided data, advice and research. Organisations consulted included:

360 Health and Community Centrecare

54 Reasons Centrecare Kalgoorlie

Ability First Australia Centre for Women's Safety and Wellbeing

Aboriginal Family Legal Services Child and Family Alliance WA

Aboriginal Health Council WA Choyces

Albany Community Legal Centre City of Bunbury

Albany Youth Support Association City of Cockburn

Allambee City of Mandurah

Amity Health City of Wanneroo

Anglicare WA Communicare

Anglicare Albany Communicare Geraldton

Anglicare Bunbury Communicare Port Hedland

Anglicare Hedland Community Employers WA

Ashburton Aboriginal Corporation Community Legal WA

Avivo Community Skills WA

Bendigo Bank Connect Groups

Broome Circle Consumers of Mental Health WA

Canarvon Family Support Service Department of Communities

Catholic Archdiocese of Perth Dreambuilders Church

Centacare Family Services Department of Health

Centacare Geraldton Edith Cowan University

Centacare Kimberley Edmund Rice Centre

Enable WA Kind

Escare Kimberley Aboriginal Medical Service

Essential Personnel Kimberley Community Legal Services

Ethnic Communities Council of WA Kununurra Community Garden

Family Inclusion Network WA Kwinana Early Years Service

Financial Counselling Network Life without Barriers

Financial Wellbeing Collective Linkwest

Foundations Care Lived Experience Advisors

Financial Counselling Association WA Margaret River Community Centre

Geraldton Regional Aboriginal Medical Service Marnin Bowa Dumbara

GP Downsouth Meerilinga Children and Community

Foundation

Men's Health WA

Men's Shed WA Headland Breathing Space

Mental Health Commission

Mercycare

Goldfields Women's Healthcare Centre

**Goodstart Early Learning** 

**Headspace Geraldton** 

Health Consumer's Council

Hedland Women's Refuge

**Hope Community Services** 

Home Instead

Hedland Well Women's Centre

Headspace

Mercycare Broome

MG Corporation

Milligan

Mind Australia Holyoake

Mission Australia Geraldton

Money Mentors

Multicultural Futures

Hudson Family Centre

Murdoch University

Injury Matters

National Disability Insurance Scheme Just Home Margaret River Inc

National Disability Services Kalumburu Women's Shelter

Kanyirninpa Jukurrpa

Newman Women's Shelter

Neami

Ngala St Patrick's Community Support Centre

Nintirri Centre St Vincent de Paul Society

North PCYC Starick

Northam Army Camp Heritage Association Stronger Families Foundation

Northam Catholic Church The Lucy Saw Centre

Northern Suburbs Community Legal Centre Uniting WA

Northwest Multicultural Association WA Valuing Children Initiative

Palmerston Volunteering WA

Parkerville Children and Youth Care WA Association for Mental Health

Patricia Giles Centre for Non-Violence WA Country Health Service

Peel Development Commission WA Network of Alcohol & other Drugs

Agencies

WA Police

Peel Development Group

Peel says No to Violence

WA Primary Health Alliance Pilbara Mediation

Pivot Wanslea

Regional Alliance West Waratah Support Centre

Wheatbelt District Leadership Group Regional Development Australia

White Lion

Women's Legal Centre WA Share and Care

Youth Affairs Council of WA Shelter WA

Yorganop Shire of Ashburton

Youth Involvement Council

Shire of Serpentine Jarrahdale

Zonta House

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# WACOSS stands for an inclusive, just and equitable society.

We advocate for social change to improve the wellbeing of Western Australians and to strengthen the community services sector that supports them.

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