

QCOSS

Queensland Council
of Social Service

2016/17 Pre-budget submission to the Queensland Government

A plan for social and economic wellbeing



January 2016

About QCOSS

The Queensland Council of Social Service (QCOSS) is the state-wide peak body for individuals and organisations working in the social and community service sector.

For more than 50 years, QCOSS has been a leading force for social change to build social and economic wellbeing for all. With members from throughout Queensland, QCOSS undertakes informed advocacy and supports a strong community service sector.

QCOSS' key activities focus on providing effective policy advice, working to strengthen responsive community services and having productive partnerships with the community sector, government, private sector, academia, media and the broader community. This work is done with a Queensland free of poverty and disadvantage front of mind.

QCOSS, together with our members, provides a crucial advocacy role in a broad number of areas including:

- service practice and reform
- homelessness and housing
- early intervention and prevention
- cost of living pressures including low income energy concessions and improved consumer protections in essential services
- early childhood support for Aboriginal and Torres Strait Islander and culturally and linguistically diverse peoples.

QCOSS is part of the national network of Councils of Social Service lending support and gaining essential insight to national and other state issues.

QCOSS is supported by the vice-regal patronage of His Excellency the Honourable Paul de Jersey AC, [Governor of Queensland](http://www.govhouse.qld.gov.au) (www.govhouse.qld.gov.au).

To join visit [the QCOSS website](http://www.QCOSS.org.au) (www.QCOSS.org.au).

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Introduction

Queensland's community service sector is on a significant and transformational journey, according to the state government. And as the government's agenda for reform and review continues, the sector is working hard to deliver the best possible services it can within the confines of an ever-changing economic and political environment.

At the core of all our work remains the individual, the family and the community. In particular, Queenslanders who are most vulnerable and at risk; Queenslanders who are living in poverty and disadvantage, or those who are at risk of falling into this situation.

Particular attention needs to be given to those communities whose members are over represented when we look at the indicators of poverty and disadvantage. Aboriginal and Torres Strait Islanders are over represented in the justice and child protection systems, they experience lower educational and training attainment, and have lower incomes and higher unemployment rates, and experience a higher burden of poor health and injury across all of the life-stages.

As the government prepares to deliver its next budget in 2016, the Queensland Council of Social Service (QCOSS) has released the 2016/17 Pre-Budget Submission which outlines five key areas of concern, and 10 clear actions that would deliver real change and improved outcomes for the community, the sector, the government and ultimately the state.

The previous State Budget revealed positive signs that the government is listening to the community services sector, however the need for engagement and consultation remains a priority if investment is to be well targeted and meet the needs of all Queenslanders.

A broad array of initiatives have been announced in recent times aimed at improving social and economic outcomes for all, including the reinstatement of Skilling Queenslanders for Work and parenting support; domestic and family violence strategies; and better health outcomes for Aboriginal and Torres Strait Islander families. The value of these initiatives will depend on the quality of implementation.

We welcomed the government's commitment to covering the federal shortfall in pensioner concessions, but remain disappointed that a full review of concessions to better target those most in need has not yet been undertaken.

We also welcomed the government's announcement this year that it had begun rolling out five-year funding agreements for non-government organisations and services. The move was described as a "sign of respect and a willingness on behalf of the government to work in partnership with the sector" and also "a great opportunity to increase the positive impact on the lives of vulnerable Queenslanders without needing to increase government spending".

It is clear that value for money and a strong push towards ensuring return on social service investment for individuals and communities is high on the government's agenda. What should also be front and centre is the need for government to be very clear on what outcomes they are purchasing based on good quality data and transparent logic. And for the sector to be clear that the outcomes they are contracted to deliver are driven by the needs of the individuals and families they support, and that they align with their mission and values.

QCOSS has long advocated for place-based responses supported by local communities who are best positioned to interpret data on need and generate sustainable local solutions for individuals and families in their communities.

Decision making about where and when to invest in social services must be a shared responsibility – a genuine partnership between local communities, social service organisations, and all levels of government. A shared governance arrangement at this level, with a solid focus on the right outcomes, is imperative if we are to solve issues impacting on social and economic wellbeing of all Queenslanders.

The solutions to major social issues can be complex and need long-term commitment to implement. Re-negotiating national partnership agreements such as the National Partnership for Housing and Homelessness, the National Agreement on Housing Affordability, the National Agreement on Universal Access to Early Childhood Education and the National Partnership Agreement on Preventative Health are critical. To give communities and government the best possible opportunity to reduce homelessness, address affordable housing, improve universal access to early childhood education and health care, these agreements need to be at least five years long.

The Hon Shannon Fentiman MP, Minister for Communities, Women and Youth, Minister for Child Safety and Minister for the Prevention of Domestic and Family Violence, said during her opening speech at the 2015 QCOSS State Conference, “We need a clear vision for the community services of tomorrow. I want to see a community service sector that has a forward looking focus, builds on the great work you and government have already commenced and works in partnership with clients and other government agencies.”

This submission calls on the Queensland Government to make that vision a reality as part of its State Budget, to invest in the state’s social services sector and to take every opportunity to eliminate poverty and disadvantage from our great state.



Summary of actions

QCOSS calls on the Queensland Government to commit to these actions as part of the 2016/17 State Budget.

1 Community resilience

Action:

Investigate options to provide affordable insurance for people on low incomes in disaster prone areas of Queensland. This could include government underwriting of home and contents insurance or facilitating the bulk purchase of insurance products.

Action:

Mandated data sharing between government departments and with community based organisations to support place-based analysis and creative responses to intractable problems.

2 Regional Queensland focus

Action:

Accommodate the full cost of travel in all human services agreements for regional and remote Queensland.

Action:

Review the impact of insufficient public transport infrastructure on social and economic participation of people in regional Queensland.

3 Cost of living

Action:

Review the level and targeting of concessions for people on low incomes in Queensland.

Action:

Establish a community based energy efficiency program aimed at reducing energy costs for customers most at risk of debt and disconnection.

4 Housing and homelessness

Action:

As per the Minister for Communities, Women and Youth, Minister for Child Safety and Minister for the Prevention of Domestic and Family Violence's decision to move to five year funding agreements, commit to five year funding agreements for housing and homelessness services and include a provision for locally driven service level cooperation and collaborative initiatives.

Action:

Link social infrastructure to physical infrastructure spending, especially for social and affordable housing.

5 Financial resilience

Action:

Fund financial counselling for Queenslanders at risk of debt causing poverty.

Action:

Review the social and economic impact of State Penalties Enforcement Agency (SPER) policies and practices particularly in relation to people experiencing poverty and disadvantage.

1 Community resilience

Resilient communities are better equipped to manage the impacts of social and economic change and recover more quickly from adverse events. Communities, governments, business and community organisations all have a role to play in building resilience.

1.1 Affordable insurance for people on low incomes in disaster prone areas of Queensland

While natural disasters and emergencies affect lives across the whole community, the most impacted are those who are already experiencing disadvantage and those at risk of slipping into poverty. Poverty and social exclusion cause a great deal of deprivation, distress and suffering and lead to poor outcomes across all indicators of poverty and disadvantage. These issues are intensified by the pressures of disaster and recovery. We know that disasters have a disproportionate impact on people with limited access to social and material resources.ⁱ

Insurance is an essential means to ensure that people are able to recover and are resilient in the event of disasters. However people on low incomes are least able to afford the protection and security provided by insurance. In its *Submission to the Natural Disaster Insurance Review*ⁱⁱ, the Brotherhood of St Laurence, stated that while people on low incomes are aware of the benefits of purchasing insurance they are unable to access appropriate insurance products owing to a range of barriers, most significantly affordability.

The Queensland Government can help people on low incomes in disaster prone areas by exploring options such as underwriting home and contents insurance for low-income households and facilitating the bulk purchase of insurance products.

Action:

Investigate options to provide affordable insurance for people on low incomes in disaster prone areas of Queensland. This could include government underwriting of home and contents insurance or facilitating the bulk purchase of insurance products.

1.2 Mandated data sharing

Providing effective social service responses is a shared responsibility from all levels of government, business and the private sector, the community sector and individual community members.

This responsibility can only be met when all parties have timely access to high quality data and an opportunity to interpret and act upon that data in a local context.

Mandated data sharing between government departments (cross jurisdictional) and with funded community based organisations will support place-based analysis and creative responses to intractable problems. This should include, but not be limited to, early childhood data, homelessness data, family violence data, Queensland Police Service data, and local government data.

Action:

Mandated data sharing between government departments and with community based organisations to support place-based analysis and creative responses to intractable problems.

2 Regional Queensland focus

Three quarters of Queensland's population live outside of Brisbane and almost one quarter live in regional and remote areas outside of South-East Queensland. Regional areas face unique cost of living challenges, with some experiencing higher housing and transport costs, limited or no access to public transport, and other areas experiencing difficulties as a result of higher levels of unemployment.

In many regional areas a single unemployed person and single-parent households who are unemployed or on Newstart Allowance would not have enough income to meet a basic standard of living.ⁱⁱⁱ

Community based organisations in regional Queensland also experience significantly higher cost of service delivery due to staff hours and fuel costs associated with distances travelled to deliver services.

2.1 Accommodate the full cost of travel in all human services agreements

Throughout 2015 QCOSS connected with more than 3,000 people from community based organisations across the state. A clear message that we have received is that the inability to accommodate travel costs in human services agreements is impacting on the sector's ability to deliver quality services. This is particularly an issue for regional and remote areas of Queensland where distances travelled are much greater and can be a significant impost on their resources and ability to stay connected.

Action:

Accommodate the full cost of travel in all human services agreements for regional and remote Queensland.

2.2 Review impact of insufficient public transport infrastructure in regional Queensland

For many vulnerable people financial and other barriers prohibit them from having access to a private vehicle. These households rely heavily on public transport for accessing life opportunities such as employment and recreation, education and health. Affordable, accessible and well integrated public transport is essential for their participation in society.

Travel cost can be a significant barrier to finding and keeping a job and can be a disincentive for accepting low-paid or part time employment.

In regional areas public transport infrastructure can be scarce or non-existent. This has a significant impact on vulnerable and disadvantaged people in regional Queensland.

QCOSS recommends the Queensland Government review the impact of insufficient public transport infrastructure on social and economic participation of people in regional Queensland.

Action:

Review the impact of insufficient public transport infrastructure on social and economic participation of people in regional Queensland.

3 Cost of living

The rising cost of living impacts all Queenslanders, particularly those experiencing poverty and disadvantage. Typically low-income households spend a higher proportion of their income on essentials such as rent, electricity, water and public transport. With these costs increasing at a faster rate than other goods and services, many low-income households are struggling with the basic cost of necessities.

Government plays a key role in alleviating cost of living pressures by offering a range of supports to those most in need. Two important ways that the state government can help low-income households are by providing better targeted concessions and supporting people to reduce their energy bills through energy efficiency programs.

3.1 Better targeted concessions

Concessions are one of the most important tools available to government to help reduce the burden on low-income households in time of most need. While the current concession framework provides relief for many, there is a clear gap in the public safety net for many disadvantaged people in Queensland.

A series of reports over recent years has identified a number of problems with existing concessions. This includes the failure of concessions to keep pace with rising costs, particularly rising energy prices, a lack of policy clarity about the objectives of concessions and whether they are targeted at the right people, and inconsistencies in approaches and outcomes for households across jurisdictions.

QCOSS believes that a review of the level and targeting of concessions for people on low incomes in Queensland would identify a range of opportunities to most effectively use the concession spend. This might include concessions for people on low incomes who use public transport and concessions for low-income households to meet the rising cost of electricity.

A key area of concern is the exclusion of many low-income households from the eligibility criteria for the Electricity Rebate and Reticulated Natural Gas Rebate, especially low-income working families and single persons on Newstart benefits. This significant gap has been consistently highlighted by QCOSS for a number of years, and is continually raised by community service sector attendees at our workshops across the state. One of the simplest and least administratively complex ways to ensure low-income households can access these rebates would be to extend eligibility to Health Care Card holders, as is the case in most other Australian states and territories.

Additionally, the Gas Rebate is only available to reticulated gas customers, which excludes many customers who reside in areas where there is no reticulated gas network and who purchase bottled gas through a contract with a retailer. This exclusion has a disproportionate impact on regional customers.

Action:

Review the level and targeting of concessions for people on low incomes in Queensland.

3.2 Establish a community based energy efficiency program

In response to electricity price increases in recent years, many Australian households with the means to do so have reduced their energy consumption by investing in energy efficiency appliances, home upgrades and installing rooftop solar panels.^{iv} However, low-income and disadvantaged households face barriers to implementing these measures, and this contributes to their capacity to pay. High prices, low incomes and lack of control over consumption create a situation where electricity debt and disconnection are inevitable.

In Queensland, the number of households disconnected for non-payment reached a record high of 29,642 households in the 2014-15 financial year. Given this situation, there is a need for an urgent intervention. Many disadvantaged Queenslanders are struggling with the relentless price increases of the last several years, and risk being left behind as new technologies, complex tariffs and emerging business models potentially widen the gap between Queenslanders who can engage these opportunities, and those who cannot.

This pressure has been increasing over time. The 2012 ACOSS Australian Community Sector Survey highlighted this, showing a dramatic increase in the demand for help with paying electricity bills, with over 80 per cent of services saying it had increased – either a lot (55 per cent) or a little (29 per cent).^v The community sector in Queensland is not sufficiently resourced to meet this demand.

QCOSS considers there is significant opportunity to address this gap by establishing a targeted energy advisory program for low-income and disadvantaged households, delivered through local and trusted community agencies with proven expertise in working with disadvantaged Queenslanders. This program should target vulnerable households having difficulty paying their energy bills and provide practical advice and support including in-home advice about energy efficiency strategies and assistance to connect people with concessions, hardship programs, no interest loan schemes, financial counselling and other forms of support to prevent disconnection.

Action:

Establish a community based energy efficiency program aimed at reducing energy costs for customers most at risk of debt and disconnection.



4 Housing and homelessness

Adequate, affordable and secure housing provides a strong foundation for individuals and families. Low-income households that pay a high proportion of their income on housing may be forced to reduce spending on other goods and services undermining their wellbeing and standard of living. Lack of affordable housing options contributes to a rise in homelessness and higher costs to both affected individuals and wider society.

4.1 Interagency networking and integration

Complex social issues like reducing homelessness and addressing affordable housing need long-term solutions to give communities and governments the best possible opportunity to address them. QCOSS supports the Department of Communities, Child Safety and Disability Services' introduction of five year NGO funding agreements to reduce uncertainty and promote innovation through constant improvement to deliver better outcomes for clients, and recommends that this also be a commitment of the Department of Housing and Public Works.

QCOSS believes that funding agreements should also include a provision to encourage locally driven service level cooperation and collaborative initiatives.

Action:

As per the Minister for Communities, Women and Youth, Minister for Child Safety and Minister for the Prevention of Domestic and Family Violence's decision to move to five year funding agreements, commit to five year funding agreements for housing and homelessness services and include a provision for locally driven service level cooperation and collaborative initiatives.

4.2 Link social infrastructure to physical infrastructure spending

Although the total number of social housing dwellings in Queensland has increased in recent years, it has not kept pace with population growth. Investment in social housing is needed to deliver equitable access to secure and affordable housing, to achieve improved health and educational outcomes, lower rates of poverty, and create safer and more cohesive neighbourhoods across the state.

At both the Commonwealth and state levels of government, the infrastructure funding focus continues to be on roads and transport. A key issue for the community sector in the infrastructure debate is that social and affordable housing, while clearly fitting the definition of public infrastructure, is not currently dealt with under infrastructure priorities.

ACOSS points out that if housing continues to be viewed by governments as a welfare issue, rather than an infrastructure issue, the existing problems in the Australian housing market will continue to impede economic activity, participation and productivity, and the market will continue to fail to provide adequate housing for all.^{vi} This issue underlines the need for a broader conception about the socio-economic value and cost of infrastructure projects.

Given the increasingly lower rates of home ownership and the high percentage of low-income people homeless or in housing stress, it is critical that infrastructure programs be directly linked to investment in social housing at a local level.

Action:

Link social infrastructure to physical infrastructure spending, especially for social and affordable housing.

5 Financial resilience

Financial hardship and stress have wide ranging and serious impacts, not only on the individuals and households concerned but also communities and society as a whole.^{vii} With increases in the cost of living many families are only just managing, and financial hardship can often be triggered by a single event such as accident or illness, family circumstances, employment, natural disasters or financial downturns. Or longer term issues such as having no fixed address at which to receive mail.

Without interventions a person who experiences a financial setback can very easily find themselves facing complex credit and debt issues. Many more may fall into chronic financial hardship and poverty. The impact of poverty is far reaching and can result in intergenerational poverty and broader community and social outcomes such as increased physical and mental health conditions, increased stress related violence within families and communities, higher crime rates, and growing debt default and bankruptcy.^{viii}

5.1 Provide financial counselling funding for Queenslanders at risk of debt causing poverty

Financial counselling services in Queensland are substantially underfunded in comparison to other states and in an environment of increasing payday loans and online betting, demand far exceeds supply.

By tackling complex financial problems, financial counsellors provide their clients with skills, tools and confidence in managing their financial situation. Financial counselling can also assist clients at an early stage thereby reducing demand for other government services such as health and hospitals, mental health assistance, legal services and emergency relief funds.

The role of government in funding these services is based on a broader cost-benefit analysis recognising there are benefits for the whole community when fewer individuals and families are trapped in debt.

Given the cost-benefit of these services, QCOSS calls on the state government to fund financial counselling for Queenslanders at risk of debt causing poverty.

In establishing this program it is important that there is coordinated outreach across the state so that quality advice, training and access to information to build financial resilience is consistent across the sector.

Action:

Fund financial counselling for Queenslanders at risk of debt causing poverty.

5.2 Review the social and economic impact of State Penalties Enforcement Agency (SPER) policy and practice

The compounding effects of chronic debt and ongoing financial hardship can lead to people experiencing disadvantage becoming entrenched in poverty. Unrealistic payment plans which do not take into account individual circumstances or issues can lead to rapidly escalating State Penalties Enforcement Registry (SPER) debt.

The Queensland Public Interest Law Clearing House Incorporated's (QPILCH) Homeless Persons' Legal Clinic (HPLC) has reported that an estimated 70 per cent of people experiencing long-term homelessness have a SPER debt averaging \$4,000.

In an often complex legal context, disadvantaged groups are more vulnerable to experiencing multiple legal problems, less likely to take action to resolve these problems, less capable of handling their problems alone and more likely to suffer a variety of adverse consequences that may further entrench their social exclusion.^{ix}

Current SPER policies have few provisions for special consideration, or easily accessible hardship programs. QCOSS supports the HPLC's calls for further exploration and greater consideration of SPER debt waivers in circumstances of chronic disadvantage. QCOSS also supports HPLC's call to address the need for a better scheme to identify all fine-debtors in need of special consideration.

We would welcome the development of better guidelines and training for all SPER officers to understand the circumstances of debtors and offer them the best possible payment options available to them.

Action:

Review the social and economic impact of State Penalties Enforcement Agency (SPER) policies and practices particularly in relation to people experiencing poverty and disadvantage.



Conclusion

QCOSS' vision is for a Queensland free of poverty and disadvantage - a state committed to ensuring that each individual has the right and opportunity to actively contribute to and benefit from positive social and economic opportunities.

This Pre-Budget Submission calls on the Queensland Government to commit to actions which will ultimately work towards this vision. The actions are based on the areas of community resilience, regional Queensland, cost of living, housing and homelessness, and financial resilience. Ensuring that individuals and families have a place to call home and are adequately equipped to cope with the cost of living, with regard to expected and unexpected hurdles, is a complex process. The difficulties of providing and accessing adequate support and services in rural and regional Queensland adds to this complexity.

Also of importance is more targeted support for individuals in some of our more vulnerable communities including people from culturally and linguistically diverse backgrounds, people from a refugee background, Aboriginal and Torres Strait Island peoples, and people with disability.

The 10 actions outlined in this submission provide realistic, achievable opportunities to tackle some of the underlying issues behind the issue of poverty and disadvantage in our communities.

It is clear that we need to approach these issues and solutions together, place by place, with all parties at the table – system users, community, the community sector, government and business. It is only when we are all working toward the same goal that will be able to achieve social and economic wellbeing for all.



ⁱ Fjord, L, et al., Anthropological Perspectives of Disasters and Disability: An introduction. Human Organization, vol. 68 (1) 2009.

ⁱⁱ Brotherhood of St Laurence, *Submission to the Natural Disaster Insurance Review*, July 2011

ⁱⁱⁱ QCOSS, *Regional Cost of Living Report*, Sep 2014

^{iv} ACOSS, [Energy Efficiency Paper](#), 2014.

^v Australian Council of Social Service, *Australian community sector survey*, 2013 p32.

^{vi} ACOSS et al (2015) Affordable Housing Reform Agenda: Goals and recommendations, an overview for reform.

^{vii} Brackertz, N, *I Wish I'd Known Sooner – The Impact of Financial Counselling on Debt Resolution and Personal Wellbeing*, 2012

^{viii} McLachlan R., Gilfillan G. & Gordon J, *Deep and Persistent Disadvantage in Australia: Australian Productivity Commission Staff Working Paper*, Jul 2013.

^{ix} QPILCH, Responding to homelessness and disadvantage in the fines enforcement process in Queensland, Jul 2013.

