

**ATTACHMENT E**



From the office of BOB KUCERA APM JP MLA

**MINISTER FOR SPORT & RECREATION  
DISABILITY SERVICES  
CITIZENSHIP & MULTICULTURAL INTERESTS  
SENIORS & VOLUNTEERING**

Our ref: 00068

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Mr Brian O'Hart

Dear Mr O'Hart

Thank you for forwarding a copy of your letter to the Australian Government Minister for Family and Community Services regarding the comparative levels of funding to the States and Territories under the Commonwealth State Territory Disability Agreement (CSTDA).

The inequitable funding of jurisdictions under the CSTDA has been the subject of much discussion for successive agreements.

Prior to 1992, the Australian Government funded service growth and development on the basis of individual organisational application without taking into account relative service coverage or target populations across jurisdictions. This ad hoc funding approach resulted in great variation in the recurrent funding levels of Australian States and Territories.

When the first CSTDA was signed there was a rationalisation of funding responsibilities and States and Territories gave the Australian Government all funds associated with employment programs and the Australian Government gave the States and Territories funds associated with other services<sup>1</sup>. This rationalisation showed for the first time the 'over' funding of South Australia and Tasmania and the relative 'under-funding' of Western Australia.

Broadly Western Australia has 8% of CSTDA funds but has 10% of the target population. The Australian Government and all other States and Territories acknowledged this inequity prior to the re-negotiation of the third CSTDA and agreed to develop a formula that would allocate a proportion of growth funds to gradually correct the funding imbalance. While the development of such a formula was attempted the Australian Government stipulated a requirement that all other States and Territories agree to its application. To date agreement has not been reached.

The Grants Commission through which CSTDA funding is distributed, takes into account Specific Purpose Payments (CSTDA funding payments) and adjusts General Purpose Payments to the States and Territories accordingly. These latter payments, however are made to the Department of Treasury not to the Disability Services Commission.

The continuing inequity of CSTDA funding for Western Australia is an area of concern to me and I will continue and intensify previous efforts to address this imbalance and get a better funding outcome for Western Australians with a disability.

Thank you again for your interest in this matter and for bringing to my attention the inequity in current funding arrangements. I assure you of my similar concerns in this area.

Yours sincerely

**Bob Kucera APM JP MLA  
MINISTER FOR SPORT AND RECREATION; DISABILITY SERVICES;  
CITIZENSHIP AND MULTICULTURAL INTERESTS;  
SENIORS AND VOLUNTEERS**