# CHAPTER 17

# SERVICE PROVIDERS

You think things will get better, but somehow they never seem to. 1

17.1 People in crisis can seek support from many community services and support groups. These agencies range from small volunteer groups to national organisations including St Vincent de Paul, The Smith Family, Salvation Army, Mission Australia, Anglicare, UnitingCare and Lifeline. Local government also provides services including childcare and emergency support. Commonwealth financial support is delivered through Centrelink offices across the country.

## **Community service sector**

17.2 There has been a long history of provision of community services by non-government organisations in Australia. Over time the face of the community service sector has changed. The non-government community services sector is now very large and encompasses many organisations.<sup>2</sup> TasCOSS noted that:

At a community level, we have witnessed a transition from relatively informal systems of support based on local organisations/networks (e.g., church-based charitable groups, service clubs, etc) to more formalised structures that are dependent on grant funding from government sources.<sup>3</sup>

17.3 Agencies are no longer 'low-key places for a cup of tea and a friendly chat':

They are expected to be competent and professional organisations and need to consider a whole raft of administrative and operational responsibilities such as policies and procedures; forward planning and budgeting; insurance; access and equity in services; volunteer recruitment, training and support; occupational health and safety; performance reviews; incorporation requirements; annual audits; and annual reports.<sup>4</sup>

17.4 Services provide assistance to homeless persons, the aged, youth, families, children, Indigenous Australians, migrants and refugees, people with disabilities, people with mental illness, people with drug and alcohol problems, people with and families shattered by problem gambling, and people who require personal counselling

4 *Committee Hansard* 28.5.03, p.481 (Holroyd City Council).

<sup>1</sup> Salvation Army, Newcastle. Notes from Committee inspections, Newcastle 29.5.03.

Industry Commission, *Charitable Organisations in Australia*, Report No.45, 16 June 1995, Chapter 1 – the role and structure of the charitable sector in Australian society.

<sup>3</sup> Submission 176, p.13 (TasCOSS).

or financial counselling. There is assistance through emergency relief such as food vouchers and payment of utilities bills; there is research into poverty and social issues; and there is the development and implementation of innovative programs to reduce poverty or to moderate its effects.

17.5 It is difficult to accurately identify the resources being utilised by community service organisations to help low income and disadvantaged Australians. The Australian Institute of Health and Welfare indicated that the total value of the welfare services provided during 2000-01 was estimated at \$43.2 billion, of which \$13.7 billion related to expenditure incurred. Non-government community service organisations incurred expenditure of \$6.9 billion and government (Commonwealth, State and Territory and local) incurred \$6.6 billion.<sup>5</sup>

17.6 The ABS 1999-2000 survey on community services provided an overview of the whole sector. The survey only included organisations with employees. In June 2000 there were 2,800 'for profit' organisations, 5,938 'not for profit' organisations and 548 government organisations. Expenditure for 1999-2000 was estimated at \$12.6 billion.

17.7 An ACOSS survey in 2003 provided information on the organisations which assist low income and disadvantaged Australians. The survey was based on responses from 26 per cent of the primarily not for profit member organisations of the State and Territory Councils of Social Service. These organisations assisted 2,382,799 people through the provision of services including aged care, family support, advocacy, crisis assistance and housing assistance. Clientele access services by themselves or may be referred by Centrelink, the courts or by other welfare agencies.<sup>7</sup>

17.8 Organisations rely on multiple sources for their funding including government sources, client fees, donations, and contributions from business.

Laverton Community Centre and Neighbourhood House;

Emergency Financial & Material Aid [Commonwealth FaCS funded];

Financial & Family Counselling [City of Hobsons Bay funded];

Access to Court Fund to assist Emergency Relief program [Sunshine Magistrates Court];

No Interest Loan Scheme [Community Funded – initial donation];

Respite Child Care [State Human Services funded].8

<sup>5</sup> AIHW, Australia's Welfare 2003, p.123.

<sup>6</sup> ABS, Community Services Australia 1999-2000, ABS Catalogue no 8696.0.

ACOSS, Australians Living on the Edge Survey of the Community Services Sector, ACOSS Paper 125, January 2003, p.5.

<sup>8</sup> Submission 63, p.4 (Laverton Community Centre & Neighbourhood House Inc).

- 17.9 Commonwealth funding is provided through the Emergency Relief Program. Grants are made to a range of community and charitable organisations to provide emergency assistance to individuals and families in financial crisis. Assistance is provided in the form of food vouchers, assistance with accommodation, payment of outstanding accounts and sometimes cash. Consideration is being given to the future direction of the Emergency Relief Program through a comprehensive consultation process with emergency relief providers and other relevant stakeholders. The Commonwealth will provide \$28.9 million for the Emergency Relief Program in 2003-04 to some 900 agencies for distribution through more than 1400 emergency relief outlets. The Program also provides funds for training and support to Emergency Relief agencies.<sup>9</sup>
- 17.10 FaCS released an Emergency Relief discussion paper in March 2003 that focused on community linkages and client outcomes, accountability and effectiveness and service delivery. Throughout the discussion paper process, agencies expressed support for the collection and aggregation of data about clients and their reasons for seeking emergency relief and what subsequently happens to them. FaCS indicated that because data collection is complex and agencies capacity to collect data varies, there will be a phased in approach for data collection; during 2003-04 only minimal data will be collected.<sup>10</sup>
- 17.11 The Commonwealth also provides funds for community agencies to assist people with a range of personal problems through a number of other programs, including the *Australians Working Together*, the Stronger Families and Communities Strategy, the Supported Assistance Accommodation Program and the Family Relationships Program.<sup>11</sup>
- 17.12 Organisations also receive funding through State and Territory Government programs.

#### Provision of services

17.13 People seek assistance from community service organisations for many reasons: they may need immediate financial assistance to provide food and help with utilities bills; they may need on-going assistance to find suitable accommodation or financial counselling; they may be escaping domestic violence or they may need help in dealing with government agencies. The range of reasons for people seeking assistance is huge. As already noted, many agencies provide emergency relief; however there has been a growth in the provision of other services which look beyond

11 FaCS, Discussion Paper Emergency Relief Program, March 2003, p.5.

<sup>9</sup> FaCS, Portfolio Budget Statements 2003-04, pp.109, 122.

<sup>10</sup> FaCS, *Annual Report 2002-03*, Volume 2, pp.123-24.

just emergency relief to longer term management of complex problems, and prevention and early intervention programs.

## Increasing demand for services

17.14 There was overwhelming evidence that community service agencies were under increasing pressure to provide additional services with very limited resources. The impact of the increased demand on services was dramatically illustrated in evidence from Fairfield Community Aid:

I came to this agency in 1995 as a volunteer and at that time we saw 12 to 15 clients a day. We now see at least 30 a day and it is more common to have 50 people come to the office. One day we saw 69 and it would have been 71 except two agreed to come back the next day. The other 69 were all desperate for help and sat and waited for hours on end for a small food voucher. (\$20 to \$30 for a single and \$50 to \$60 for a family). This is suburban Sydney, NSW in the 21<sup>st</sup> Century! Doesn't sound much like 'the Lucky Country' does it?

Submission 75, p.1 (Fairfield Community Aid).

## 17.15 The Committee received other examples of increasing demand for services:

- Welfare Rights and Advocacy Service, WA, has seen a 240 per cent increase in demand for services over the last four years as a result of people seeking information and assistance with Centrelink matters.<sup>12</sup>
- Western Australian relief agencies paid approximately \$1.34 million to utility service providers to prevent disconnection or restriction of supply to low-income and disadvantaged consumers in 2002-03. 13
- Anglicare Wollongong stated that its emergency relief service has increased 20 per cent per year from 1999. Active case records have increased to 3,900 clients. 90 per cent of those interviewed reported Centrelink income as their main source of income. There has been an increase in older people (over 65 years) and younger people (under 20 years) accessing the service. 14
- St Vincent de Paul, Raymond Terrace is providing \$7,000 worth of Bilo food vouchers per month. 15

<sup>12</sup> Committee Hansard 28.7.03, p.1030 (Welfare Rights and Advocacy Service).

<sup>13</sup> Committee Hansard 28.7.03, p.1028 (WACOSS).

<sup>14</sup> Submission 226, p.1 (Anglicare Wollongong).

<sup>15</sup> Submission 213, p.3 (SVDP, Raymond Terrace).

- St Vincent de Paul, Newcastle Northern Regional Council distributed over \$83,432 in food alone in nine months. 16
- Fairfield Migrant Resource Centre stated that 'the services in Fairfield area that provide emergency relief to those living in poverty are now constantly over-stretched, and we are seeing very little from the government to provide a way out of poverty'. 17
- St Vincent de Paul, Townsville has nine conferences with 88 members. There were 3,542 helpline calls in 2001-02. In 2002-03 it jumped to 6,332 calls. A second phone was put in response to the demand but it is still difficult as volunteers are older people who assist at night-time when they finish work, or in their afternoons. 18
- St Vincent de Paul, Central Illawarra has provided telephone vouchers to the value of \$14,500 for in home lines in the Central Illawarra since the scheme commenced in 2003-03. 19
- Lismore and District Financial Counselling experienced a 30 per cent increase in the number of clients it helps. The number of clients seen in the first six months of 2003 would have been almost a years worth three years ago.<sup>20</sup>
- Lifeline Northern Rivers has seen a 130 per cent increase in the last two years for requests for material assistance and over 5,000 crisis telephone calls from people in the northern rivers region.<sup>21</sup>
- Lifeline Darling Downs receives about \$68,000 of combined Commonwealth and State emergency relief funding per year with about \$120,000 per year in aid distributed at the moment. 'It is like a revolving door. Often we do not have enough to meet demand. In smaller areas, where their allocations have run out, they will refer them back to larger centres like Toowoomba, particularly during peak times of Easter, Christmas and school holidays'.<sup>22</sup>

<sup>16</sup> Submission 197, p.1 (SVDP, Newcastle North Regional Council).

<sup>17</sup> Submission 62, p.4 (Fairfield Migrant Resource Centre).

<sup>18</sup> *Committee Hansard* 6.8.03, p.1268 (SVDP, Townsville).

<sup>19</sup> Submission 227, p.1 (SVDP, Central Illawarra)

<sup>20</sup> Committee Hansard 1.7.03, p.827 (Lismore & District Financial Counselling).

<sup>21</sup> *Committee Hansard* 1.7.03, p.833 (Lifeline Northern Rivers).

<sup>22</sup> Committee Hansard 4.8.03, p.1184 (Lifeline Dowling Downs).

The assistance described above does not include the huge amount of in-kind assistance that is provided such as clothing and furniture.

17.16 The ACOSS survey of community services organisations shows the increase in demand for services across the sector:

- the number of people seeking assistance from community welfare agencies increased by 12 per cent from the 2000-01 to the 2001-02 financial year;
- despite agencies helping 2.4 million people across Australia in this period, another 180,000 people did not receive the assistance they sought in 2002, representing a 19 per cent increase from the previous year;
- the greatest unmet need was in the housing area where 29 per cent of the client base did not receive the services they sought; and
- many organisations (42 per cent) did not expect that they would be able to meet an increase in demand and/or costs over the next twelve months.<sup>23</sup>

17.17 Agencies indicated that there has been a large increase in the number of client groups and people who had not previously sought assistance. These groups included the 'working poor' and homeless persons/families due to the high cost of private rental. One agency noted that of the 500 clients that they had seen up to 30 April 2003, 19.8 per cent have been working residents not in receipt of government benefits.<sup>24</sup>

17.18 Agencies have also reported an increased demand for services in rural and regional areas:

Over the past 12 months or so we've seen an increasing number of people who have never needed to use emergency relief before: two-parent families, lower income working people, unemployed singles—particularly men—those who have been in small business but have been unable to cope with the overheads associated with employing workers, the public liability insurance, workers compensation and administrative requirements around GST et cetera. There is a combination of reasons for this increase in emergency relief clientele and the changing nature of these groups. The cost of living has always been higher in rural areas but it is increasing to a level that is unimaginable for many. This has worsened since the introduction of GST. As well, Centrelink breaching and the impacts that breaching often may have on a family budget means that both singles and families may be left for extended periods of time without enough money to live on.

Committee Hansard 28.7.03, p.1027 (WACOSS).

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<sup>23</sup> ACOSS, p.5.

<sup>24</sup> Committee Hansard 1.5.03, p.161 (Laverton Community Centre & Neighbourhood House).

# Impact on welfare services of people being breached

17.19 Many witnesses also indicated that the breaching of recipients of support payments had increased the number of people coming to agencies seeking assistance. One agency described the increase as an 'explosion' while another stated that it was a massive issue and probably represents one of the single biggest impacts on people seeking assistance. Another witnesses stated 'we certainly are staggered...by the number of people who come in clearly distressed, aggravated and in crisis as a consequence of the change that has occurred with their Centrelink benefits; they have been breached, their circumstances have changed or there has been a change in their regime of payment and that has caused great grief and they do not have money for two weeks or 10 days and things like that'. 26

17.20 People who are breached have turned, or been directed by Centrelink, to community service agencies for assistance in the form of food, clothing, money and accommodation. The Salvation Army Southern Territory commented that 'ER services have had to increasingly "step into the breach" created by periods of reduced or cancelled unemployment benefits either to provide additional support or to attempt to undo the rapidly escalating damage that can be precipitated by these penalties'. The Salvation Army Ballarat stated that it 'steps into the gap daily when the intended safety net of our social security system breaks down. Gaps occur through breaching, waiting periods, delays in payments, overpayments, administrative errors and misinformation. Penalties drive the poor deeper into hardship and poverty. 128

17.21 Agencies are also dealing with very distressed people, particularly those that have been breached: 'the problem of people being breached-coming to us straight from a Centrelink office-is a real one. They are often very angry and frustrated at what has occurred for them there. They come to us and if we cannot meet their need, their frustration level immediately is that much higher and it is more difficult for us to manage'.<sup>29</sup> Anglicare Illawarra explained:

We are now experiencing at least one serious incident—an incident that we document—a week involving people who have become violent or aggressive. Every time, their behaviour is linked to the withdrawal of benefits from Centrelink and to Centrelink directing people.<sup>30</sup>

<sup>25</sup> Committee Hansard 2.7.03, p.964 (SVDP Wollongong).

<sup>26</sup> Committee Hansard 2.7.03, p.931 (Anglicare Illawarra).

<sup>27</sup> Submission 166, p.32 (Salvation Army Southern Territory).

<sup>28</sup> Committee Hansard 30.6.03, p.746 (Salvation Army Ballarat).

<sup>29</sup> Committee Hansard 2.7.03, p.941 (Anglicare Illawarra).

<sup>30</sup> *Committee Hansard* 2.7.03, p.931 (Anglicare Illawarra).

## Emerging and complex problems from people seeking assistance

17.22 Not only is there an increase in the number of people approaching agencies, but also the number of people with long-term and/or complex issues. Often these are people who present with multiple issues including mental health, drug and alcohol dependency and disabilities that require long term commitment by agencies to stabilise or resolve crises. People presenting with these issues need long term specialist care; however, agencies report great difficulty in finding the right services, particularly in the areas of mental health, supported accommodation and addictions recovery programs.<sup>31</sup>

17.23 Witnesses added that there is a new set of emerging problems. For example, changes in housing and rental markets have lead to the increased use of caravan parks for those who cannot access permanent accommodation. Caravan parks present particular problems for the tenants and are subject to redevelopment as have inner city boarding houses. If this occurs there is a significant impact on families living in this type of accommodation and a great demand on agencies to assist former tenants to find alternative accommodation. One example received by the Committee was of a caravan park where the owner could no longer find suitable insurance cover so that all families in the park were evicted. A number of agencies responded, along with State and local government, to find housing and white goods and furniture for the families evicted. In this instance, a great deal of resources were called upon to assist families.<sup>32</sup>

17.24 Accommodation generally is one area of major concern. The Committee received extensive evidence of the lack of crisis accommodation and low cost accommodation that agencies can access. When there is no accommodation available, even at low cost motels, agencies can do nothing but turn people away. Lifeline Northern Rivers for example, stated that it had turned away 474 adults plus 300 children from its family service. <sup>33</sup> Many agencies indicated similar problems.

17.25 Agencies have also found that there is a high demand for personal and relationship and financial counselling yet this is very poorly funded and has long waiting lists.<sup>34</sup> Cranbourne Information and Support Service, a small Victorian agency providing financial counselling highlighted this problem:

The financial counsellor based at our organisation three days a week is the only one in the area and is so overwhelmed by the complex cases involving families losing their homes due to ever-increasing debt and never-increasing

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<sup>31</sup> *Committee Hansard* 2.7.03, p.964 (SVDP, Illawarra).

<sup>32</sup> *Committee Hansard* 4.8.03, p.1189 (Lifeline Brisbane).

<sup>33</sup> *Committee Hansard* 1.7.03, p.853 (Lifeline Northern Rivers).

<sup>34</sup> *Submissions* 138, p.3 (Knox City Council – Family Support & Community Education Service); 183, p.2 (WACOSS); 231, p.2 (Centacare Ballarat).

income, and the demand for bankruptcies, that for the first time a waiting list has been instituted (it is already almost four weeks long).<sup>35</sup>

17.26 Agencies also reported an increase in calls for assistance to get children back to school.<sup>36</sup> The Salvation Army Southern Territory has responded by establishing a range of services including book swapping programs and other advice to assist parents to minimise the costs 'but with such dramatic increases in need for our programs the Salvation Army will find it increasingly difficult to respond without supplementary changes to policy to assist poor families'.<sup>37</sup>

17.27 Another emerging area of assistance to children has been the provision of breakfast. In the Newcastle region, St Vincent de Paul supported the Red Cross Breakfast Club and contributed over \$1,200 in six months to provide breakfast for children who would otherwise go to school hungry. In one primary school of 400 pupils in the Newcastle region, the Breakfast Club averages between 27 and 40 children attending for breakfast each morning.<sup>38</sup>

17.28 Agencies also report calls for assistance in paying for funeral expenses.<sup>39</sup>

## Impact on welfare workers of increasing demands

17.29 Many agencies indicated that increasing calls for assistance in an environment of financial constraint was putting a severe strain on their staff. Community service organisations have responded to the demand for increased services by relying on staff to do extra but unpaid work and turning to volunteers to help out. This is an extra burden for both staff and volunteers. St Vincent de Paul Raymond Terraced stated 'volunteers are finding there is insufficient time to properly assist people with material assistance, many of who relish the opportunity to have a one on one discussion with a willing listener'. 40

17.30 The situation in some areas is more acute. The Salvation Army Darwin stated:

Welfare workers are being burnt out under the constant strain of daily interaction with clients. These clients can sometimes be abusive, are often under emotional pressure and there are no longer quick fix solutions for them. This places a strain on my welfare workers and the strain they are

<sup>35</sup> Submission 61, p.4 (Cranbourne Information and Support Service).

<sup>36</sup> See for example, *Submission* 171, p.3 (Southern Peninsula Community Support & Information Centre).

<sup>37</sup> Submission 166, p.19 (The Salvation Army Southern Territory).

<sup>38</sup> Committee Hansard 29.5.03, p.577; Submission 214, p.1 (SVDP, Lower Hunter Region).

<sup>39</sup> See for example, *Submission* 214, p.3 (SVDP, Lower Hunter Region).

<sup>40</sup> Submission 213, p.3 (SVSP, Raymond Terrace)

under reduces the quality of care the Salvation Army is wanting to provide to clients. We are not able to always respond to our clients' needs in the best possible way. As a result of that, we have now introduced regular supervision for welfare workers but this has been an increased cost for the programs we are providing.<sup>41</sup>

- 17.31 A further problem for some agencies is the reliance on an ageing population of volunteers. There was evidence that smaller organizations are closing because members are getting older and cannot continue to provide assistance.<sup>42</sup>
- 17.32 Agencies have responded by forming waiting lists, increasing referrals and closer targeting of services. However, this is discouraging for both staff and clients, and can be counter productive people in need may not come back to access the services they require or return with greater and more complex needs.
- 17.33 In some areas, the problems have become so great that organisations have withdrawn from providing emergency relief services. This adds to the pressures on those agencies left providing assistance. For example, in the Campbelltown area three of the six major charities involved in forms of direct assistance have either pulled out completely or reduced their assistance in the last two years.<sup>43</sup> St Vincent de Paul, Lismore stated that there had been seven family services in the diocese of Tweed Heads and Port Macquarie in the early 1990s. However, owing to occupational health and safety issues, funding, and lack of support and recognition from the government and community only one remains open.<sup>44</sup>
- 17.34 While services are trying to cover the increased demand with limited resources, there has also been an increase in costs for community service organisations. ACOSS noted that a third of the agencies who responded to its survey indicated that they had experienced difficulties in obtaining insurance in 2001-02. The cost of insurance was the major difficulty, while some agencies had been refused cover. Three quarters of all respondents indicated that they are paying more for insurance in 2002-03 than in 2001-02 with an average increase per agency of \$5,287.
- 17.35 Individual services provided the Committee with evidence on the extent of unmet demand. For example, the Salvation Army Ballarat indicated that it was turning away 100 clients a month on average as they do not have the workers or funding for

<sup>41</sup> *Committee Hansard* 29.7.03, p.1096 (The Salvation Army Darwin).

<sup>42</sup> *Committee Hansard* 1.5.03, pp.135-36 (Knox City Council).

<sup>43</sup> *Committee Hansard* 2.7.03, p.964 (SVDP, Wollongong).

<sup>44</sup> *Committee Hansard* 1.7.03, p.853 (SVDP, Lismore).

<sup>45</sup> ACOSS, p.22.

emergency relief.<sup>46</sup> Southlakes Refuge in the Lake Macquarie area of NSW provides accommodation for 15 people and is staffed by 61 trained volunteers. The Refuge is funded by an Op-Shop also staffed by volunteers. During 2001-02 the Refuge accommodated 129 people but turned away 519 people.<sup>47</sup>

17.36 The increase in unmet demand placed welfare agencies in a difficult position. TasCOSS stated:

Regular surveys of unmet need levels, and the resulting pressures on community service organisation (e.g., ACOSS Australians Living on the Edge Survey findings) demonstrate that the non-government sector is unable to address the level and complexity of need arising in our communities. In a state such as Tasmania, with labour market and demographic characteristics that drive up poverty levels, this trend is even more evident. Non-government organisations are doing more with less, finding efficiencies wherever possible, but still failing to confront the needs they identify in their respective client populations.<sup>48</sup>

17.37 Many agencies argued that the funds available from the Commonwealth are plainly inadequate to meet demand and government had failed to recognise this:

We receive just under \$11,000 from FaCS to fund our emergency relief program, and yet the demand is such that we are spending nearly \$3000 each month. Already in January and February this year, the demand has increased to such an alarming rate that we are restricting our criteria for assistance and still turning people away in order to keep to our emergency relief budget. I suspect this trend will increase, and we will be faced with an emergency relief crisis in our area within a year if we are not provided with increased funding.<sup>49</sup>

17.38 The Salvation Army Darwin also noted that it had not received additional funds for a number of years even though the population of Darwin had increased: 'the amount of money we have simply gets smaller as the population increases'.<sup>50</sup> Southern Peninsula Community Support and Information Centre stated that while Emergency Relief is crucial for the Centre to continue to assist those living in poverty, if the Centre did not receive financial assistance from other sources, such as donations, it would not assist all in need.<sup>51</sup>

48 Submission 176, p.14 (TasCOSS).

<sup>46</sup> *Committee Hansard* 30.6.03, p.753 (Salvation Army Ballarat).

<sup>47</sup> Submission 20, p.3 (Southlakes Refuge).

<sup>49</sup> Submission 61, p.3 (Cranbourne Information and Support Service).

<sup>50</sup> Committee Hansard 29.7.03, p.1097 (The Salvation Army Darwin).

<sup>51</sup> Submission 171, p.6 (Southern Peninsula Community Support & Information Centre).

#### 17.39 Lifeline Northern Rivers commented:

I feel that more needs to be done to recognise community organisations like ours, which do not attract public funding, but are meeting an increasing and unrecognised demand for welfare recipients. This is brought about because I believe governments at all levels want to save a few dollars, bury their heads in the sand and absolve themselves of any community responsibility to assist these Australian citizens.<sup>52</sup>

#### **Recommendation 88**

# 17.40 That the Commonwealth increase the current level of emergency relief funds allocated to agencies.

17.41 The plight of small community organisations in rural and regional Australia was also discussed in evidence. The continuing drought and increasing financial problems in rural areas, has resulted in people withdrawing from their positions in community organisations. Lifeline North Queensland noted that there are fewer people to actually run and meet all the legislative and financial requirements of a committee of management, 'so you are putting further and further drain on fewer and fewer resources, which means that there are more communities which are more stressed and therefore looking outside'. As a result communities cannot draw in extra services as government requires people who are able to meet statutory requirements:

They are looking for strong, active, participatory communities that can put up those sorts of committees, and that is really tough when everybody is exhausted and really concerned about whether they can feed their family tonight when they have been the ones who have been out there and they have given \$1,000 last year to the old people's home for a new bed, or whatever. Because we are relying more and more on the community to buy palliative beds in smaller communities, we are relying on the community to raise money for a cancer appeal or to help a family whose house has burnt down, people are being really stretched, and that affects their own self-esteem and their own capacity to continue. So some people will not go off the farm. I have letters from people right up and down the eastern seaboard saying, 'I no longer participate in anything because I am too ashamed to do so,' and that is really tough.<sup>53</sup>

#### Beyond emergency support – longer term outcomes

17.42 Agencies acknowledged that while there is a growing demand for emergency support, there is a need to introduce longer term support for clients and a more coordinated approach to the increasingly complex cases that they are dealing with. Unless this occurs, people will not be able to move out of poverty and their

<sup>52</sup> Submission 217, p.3 (Lifeline Northern Rivers).

<sup>53</sup> Committee Hansard 6.8.03, pp.1247-48 (Lifeline Northern Queensland).

disadvantaged situations and 'break the cycle of handout mentality we have'. The Salvation Army Darwin stated 'it is unfortunate that today many people consider the welfare handout as part of their budget and rely on it. That is something we have to try and break and encourage them to look for alternative sources'. 54

# 17.43 The Smith Family also commented that it saw itself as:

...about the prevention of poverty in Australia, in both the short-term and long-term way. To work towards that end we have a framework, at the heart of which is a strategic focus on education and lifelong learning...We come out of an over 81-year history probably acknowledged by most people in the community as a welfare agency, but we are changing ourselves, on the basis of our internal research capacity and our work with other researchers, to become an organisation dedicated in an evidence based way to preventing poverty and to building the capacity of young children and families in disadvantage throughout Australia.<sup>55</sup>

17.44 The community sector suggested a number of pathways to achieve better long-term outcomes. One is the introduction of case management. Case management would offer greater support to clients and assist them in accessing the services they need. However, agencies indicated that lack of funds and the pressure from emergency relief cases impacted adversely on their ability to provide effective case management. Anglicare Illawarra stated:

We also believe that there need to be funded resources, again delivered through government to organisations like ours, Barnados and community centres that are involved at the coalface of poverty, to undertake more involved case management with people working in the area. It is not good enough for the people with whom we are working for us to be able to offer them only a half-hour, 45-minute or one-hour appointment to try to resolve issues and difficulties.

Quite often we will see people once a week for a year to try to work through stuff. Again, that puts a strain on our resources, but it is work that just needs to be done. If we had additional resources to implement case management approaches so that we could really interface effectively with mental health team and drug and alcohol workers in the city, and look at interfacing with regard to accommodation and how we might do that differently in this city, then we might actually be able to start addressing some of these concerns structurally much more effectively than we can currently. <sup>56</sup>

<sup>54</sup> *Committee Hansard* 29.7.03, p.1097 (The Salvation Army Darwin).

<sup>55</sup> *Committee Hansard* 27.5.03, p.379 (The Smith Family).

<sup>56</sup> *Committee Hansard* 2.7.03, p.933 (Anglicare Illawarra).

# Early intervention and prevention programs

17.45 Another way of providing long-term support is through early intervention and prevention programs. Many organisations both on a national and local level have instituted programs aimed at lifting people out of poverty. Programs are aimed at all age groups: from occasional care for children and parenting programs, to school assistance programs through the supply of books and computers, to adult literacy and training programs. Some examples provided to the Committee include:

- The Smith Family provides substantial funding for its Learning for Life strategy and program. The program provides financial assistance, educational support for students and their families and mentoring. It is established in compulsory and tertiary education and is being extended to preschool and early childhood.<sup>57</sup>
- Home Instruction for Parents of Preschool Youngsters (HIPPY) established by the Brotherhood of St Laurence supports parent to take an active role in the education of their pre-school age children in the home. The Brotherhood also runs a homework centre at Fitzroy which provides academic and personal support for secondary school students.<sup>58</sup>
- Pathways to Prevention Project is a partnership initiative for Mission Australia and a range of educational, government and business organisations. It targets preschool age children, their families, schools and communities with early intervention programs designed to help children make a successful transition from home to school.<sup>59</sup>
- The Ark Olive Branch Café run by the Salvation Army in Newcastle is a fully functioning café restaurant providing nationally accredited training in hospitality operations targeting disadvantaged youth. The hands on training, under the close guidance and supervision of industry qualified trainers, equips the trainees with real day to day knowledge and experience in an inner city café restaurant. Assistance with placement is provided upon completion of training and a high employment rate reflects the success of the program.<sup>60</sup>
- The Samaritans Foundation in Newcastle, in response to high levels of unemployment, has established a gardening and home maintenance

Committee Hansard 27.5.03, p.379 (The Smith Family). 57

<sup>58</sup> Submission 98, p.27 (BSL).

<sup>59</sup> Committee Hansard 4.8.03, pp.1209-13 (Mission Australia).

<sup>60</sup> Information from inspections by the Committee, Newcastle 29.5.03.

business run by tenants in a housing estate and a job assistance centre and Internet café in Muswellbrook.<sup>61</sup>

- Laverton Community Centre and Neighbourhood House operate a Community Children's Centre which houses all their child care programs as well as a Post Natal Depression Group, Out-posted Family Counsellors, In Home Support Workers, new mothers groups and other services that have children or their families as a focus. All services are free or fit under the not for profit category. 62
- Southern Peninsula Community Support and Information Centre in Victoria has initiated a Budget Support Program. The Program was set up as normal budget counselling methods had not worked with clients. Clients who enter the program are given support to bring their budget into balance, training in how to manage their money and deal with financial issues and support with other issues arising from poverty. The Centre stated 'this program is being very successful and there are financial benefits arising from savings in present and future emergency relief funds. It would be good for such an innovative program to have further funding and wider application.' 63
- St Vincent de Paul Society, Lismore, manages a number of homes in conjunction with the NSW Housing Department. The homes are rented to disadvantaged families at a low rent for approximately 12 months. The Society assists families with budgeting and other skills development. This has proved successful and 'families have been able to set themselves up to take care of their own destiny at the end of that period because the rent is so low and the help is ongoing.' Families have been able to move into other rental accommodation and one family saved enough to buy their own small home <sup>64</sup>

### Cooperation and increased community capacity

17.46 Agencies also pointed to the need to increase cooperation between organisations to provide a uniform approach. Cooperation strengthens community networks and provides a greater spread and balance of services.

Other recommendations include—and this is through organisations that are working in the delivery of emergency relief services, and there is a number

<sup>61</sup> Submission 149, p.4 (Samaritans Foundation).

<sup>62</sup> Submission 63, p.4 (Laverton Community Centre & Neighbourhood House).

<sup>63</sup> Submission 171, p.7 (Southern Peninsula Community Support & Information Centre).

<sup>64</sup> *Committee Hansard* 1.7.03, p.848 (SVDP, Lismore).

of them in this city—a uniform approach to policies, service standards and assessment and training by agencies involved in the provision of emergency relief; and training to include specialist approaches to working with mental health and drug and alcohol issues. It is really critical that, if that work is to be ongoing and involve different agencies, we are provided with the resources to skill our workers to do their job effectively. For us that is not currently provided for through the emergency relief funding as administered by Family and Community Services.<sup>65</sup>

17.47 However, there were concerns about the change in the community welfare sector. TasCOSS commented that dependence on government funding has seen a loss of valued structures in many smaller centres and a greater reliance on services that may in some instances only be accessed from large, more distant centres. <sup>66</sup> This view was echoed in other comments that access to State and/or Commonwealth funding for resources is not easily achieved by local community groups and that 'statewide and regional projects appear to be preferred and short term, self sustaining projects are preferred to ongoing salary commitment'. <sup>67</sup>

17.48 Lifeline Brisbane also commented that competitive funding is a major problem. As Lifeline is mostly self-funded, it was argued that it could be more cooperative and collaborative. However, this may not be the case with other agencies which depend solely on government income:

They might get the funding, and you might miss out. It is just not going to happen, is it? Up to a point it can work well. With a lot of people putting work in on the ground we can all cooperate up to a point, but not to the point where you might miss out on the funding you need. I think that is a major problem with competitive funding models of all sorts.<sup>68</sup>

#### 17.49 TasCOSS concluded:

The very real growth that has occurred in support systems in recent years has been in services provided by non-government organisations. Much of this apparent growth, however, has in fact been an 'outsourcing' of services that had once been 'mainstream' government-provided services (e.g., disability services, job-placement services), while others have reflected changes to demographic patterns (e.g., ageing) without addressing the complex needs of low-income households. Specifically, there has been no real growth in services for families isolated from communities by the impacts of poverty. Family support services and generalist community-

67 Submission 111, p.4 (Casey North Community Information & Support Service).

<sup>65</sup> *Committee Hansard* 2.7.03, p.933 (Anglicare Illawarra).

<sup>66</sup> Submission 176, p.13 (TasCOSS).

<sup>68</sup> *Committee Hansard* 4.8.03, p.1190 (Lifeline Brisbane).

capacity building services are still very much the poor relation of community services funding.

...Worse, it has become clear to TasCOSS – as the peak community welfare organisation in Tasmania – that our community service organisations are now so focused on the day-to-day provision of contracted services that they are less able to engage in forms of cross-sectoral support (to peer organisations), in forms of systemic advocacy on policy issues, and in forms of overtly political action to highlight government inaction. That is, the poverty-driven stresses on service systems in the non-government sector have led not to a louder clamour for public interventions but instead to a more inward-looking focus on organisations' own resources and priorities. <sup>69</sup>

17.50 TasCOSS recommended that additional resources should be devoted to explicit attempts to increase community capacity, especially in areas of demonstrable poverty. The primary focus of these measures should be the creation/re-creation of informal and formal networks of support to families. It also recommended that funding priorities to non-government service providers – through State, Commonwealth and joint programs – should be informed by an understanding of the support needs of low-income households, especially those experiencing long-term and/or whole-household unemployment. Program goals should by mapped against, and accountable in terms of, state and regional strategies to alleviate poverty. To

17.51 The importance of increased community capacity and networks is closely linked to the effectiveness and timeliness of service delivery. This can best be seen through the location of community services and the degree to which they are linked with complementary services. For example, whether an emergency relief agency is located near to or with a counselling or homeless assistance service so that the person can access case management and other services. The Newcastle City Council spoke of the need to encourage and support projects which attempt to develop collaborative partnerships between agencies. The Committee considers that there needs to be an appropriate continuum of services in each community. This means that there needs to be universal capacity building and early assistance services at the front end, as well as targeted secondary and tertiary services to address individuals and families who are in need of additional or crisis support.

#### **Conclusion**

17.52 The Committee received overwhelming evidence of the increasing demand on services provided by agencies assisting low income and disadvantaged Australians. There have been increases in calls for emergency relief and assistance with

<sup>69</sup> Submission 176, p.14 (TasCOSS).

<sup>70</sup> Submission 176, p.15 (TasCOSS).

<sup>71</sup> *Committee Hansard* 29.5.03, p.539 (Newcastle City Council).

accommodation. Agencies are also seeing people with more complex issues and multiple levels of disadvantage. Many people are seeking assistance from welfare agencies because they have been breached by Centrelink.

- 17.53 This has placed many agencies under considerable strain as resources are stretched to meet the needs of clients. This is of particular concern for agencies which rely on a largely volunteer workforce.
- 17.54 The Committee received considerable evidence of the extent of the unmet demand for services. Individual workers gave examples of many cases were their agencies have had to turn away people because, for example, there was no emergency accommodation in the area
- 17.55 While the evidence on the increasing demand for emergency relief was bleak, the early intervention and prevention and intensive support programs instigated by welfare agencies provide an effective avenue to lift people out of poverty. These programs range from living skills programs to financial assistance for education. They may be based in a local community or be provided nation-wide. Whatever the case the benefits of these programs are enormous.

#### **Recommendation 89**

17.56 That the Commonwealth government streamline the funding arrangements for all its community funding programs.

## **Recommendation 90**

17.57 That the Commonwealth conduct an audit of its community funding programs to determine:

- whether they are located in the areas of greatest need;
- the degree to which complementary services are co-located;
- that there is an identifiable continuum of services from capacity building through to tertiary and crisis support.

## **Recommendation 91**

17.58 That COAG conduct an audit similar to that in the previous recommendation to determine the adequacy of Commonwealth, State and local government funded community services in local communities.

## **Local government**

17.59 Local government has for a long period provided many services to those in need in their communities. Services range from welfare services to child care and youth services. Many councils employ staff to assist residents with housing and

employment. For example, Knox City Council, Victoria, provides a Family Support and Community Education service which provides the following services to residents:

- intake, assessment and referral;
- crisis counselling;
- financial counselling;
- emergency relief;
- no interest loan scheme;
- community education;
- problem gambling counselling; and
- legal service.<sup>72</sup>

Councils also provide concessions schemes for council payments such as rates.

17.60 Like the non-government agencies, councils indicated that there had been an increase in the number of people seeking assistance. Councils commented that there was a growing demand for a variety of services, including housing assistance, and emergency assistance. Darebin City Council stated that there had been a 40 per cent increase in requests for emergency assistance between 1998 and 2000.<sup>73</sup> Knox City Council stated 'the increase in demand for assistance over the past three years and a decrease in funding provided by local donations have forced the [Council's emergency relief] network to severely limit the amount of aid provided to clients. Often assistance is minimal and therefore does not address the long-term financial issues facing the client'.<sup>74</sup>

17.61 The demand for services has been such that councils are now providing assistance in areas where they have not traditionally had a presence.

That is a funded program for which our local council had to step outside the square—that is a financial counselling program, which is usually a state government responsibility. But when you have funded services which are unit cost based and then they invert the pyramid and decide that they can only provide this many hours in financial counselling, and you end up with an eight-week waiting period, how do you address the crisis? We convinced our council that the prime responsibility of any local government is to its residents and that if state and federal are not going to address the problems then we should do it on the local level. We now have a point five position financial counsellor.

Committee Hansard 1.5.03, p.160 (Laverton Community Centre & Neighbourhood House).

<sup>72</sup> Submission 138, p.2 (Knox City Council).

<sup>73</sup> *Committee Hansard* 1.5.03, p.133 (Darebin City Council).

<sup>74</sup> Submission 138, p.7 (Knox City Council).

17.62 Some local government areas have experienced higher levels of demand because of urban migration, particular areas on the outer fringes of major cities. This has been driven by the gentrification and increasing housing prices in parts of major cities. Low income families are forced out of these areas into other local government areas to find cheap housing. In one Victorian local government area, for example, between the two census periods of 1996 and 2001, there was a marked increase in lowest income groups and a decrease in medium and high income. Socioeconomic disadvantage becomes entrenched in specific localities: there are relatively high proportions of low income households and reduced access to housing, employment and educational opportunities. Increased house prices have also driven an increase in private rents which also reduces the affordability of housing.

17.63 The Welfare Rights and Advocacy Centre WA stated 'urban renewal has seen the relocation of many local families into outer fringe areas in WA, particularly in the Perth metropolitan area. Public transport infrastructure in many of these new areas is inadequate, with only one or two buses running each day. Many families now face increased costs in public transport as they are housed in public housing a long distance from a city centre.'<sup>76</sup> Poor transport further hinders efforts by low income families to find employment and to engage in educational and social activities.

17.64 The Committee received evidence from local government authorities about their efforts to improve services to low-income and disadvantaged families through coordinated approaches across their municipalities and to take a more strategic approach to reduce poverty. The City of Darebin, for example, established a Poverty Action Group. The Group looked at housing affordability and appropriateness; unemployment, paid and unpaid work; income security; gambling; and community building. Darebin stated 'primarily our actions are around research, policy development, trying to do some leadership and advocacy on areas, coordination and facilitation of services and establishing partnerships and strategic alliances to try and address some of these issues'.<sup>77</sup>

17.65 A further example is Newcastle City Council's Social Plan Advisory Committee, comprising both Council and community representatives, which guides the Council in the development of its social plan. The plan identifies key social and community needs and strategies to address those needs. The positive trend of a community sector that works collaboratively to develop innovative projects was demonstrated by the example of a plan to help a local community create enterprise.

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<sup>75</sup> *Committee Hansard* 1.5.03, pp.161-62 (Laverton Community Centre & Neighbourhood House).

<sup>76</sup> Committee Hansard 28.7.03, p.1031 (Welfare Rights and Advocacy Centre).

<sup>77</sup> Committee Hansard 1.5.03, p.134 (Darebin City Council).

The aim is to develop 'a more supportive model where the communities will be identifying their needs, solving their problems and creating their own opportunities'.<sup>78</sup>

17.66 The benefits of such partnerships and strategic alliances within municipalities to focus on areas of disadvantage and improve the provision of services are great:

Where we have local government and community working together, networks are created, our services can be spread and we can make those that are responsible for the provision of services actually accountable. That way, we get a broader range of professionals.<sup>79</sup>

## 17.67 Fairfield City Council stated:

The development of cities involves very complex issues that require consultation with all concerned, a comprehensive and co-ordinated approach, and a level of commitment by all levels of government, and the private sector to bring about change for the better.

An example of such a program was the 'Better Cities Program' that highlighted the need for planning to be undertaken in order to secure funds for implementation of government programs. The prerequisite was a requirement to coordinate, to integrate, to partner, to innovate, to consult, to commit joint budgets and to act to achieve outcomes.

Reinstating a similar program would greatly assist in solving problems that contribute to severe poverty in the community.<sup>80</sup>

#### Conclusion

17.68 Evidence provided to the Committee showed that the provision of services by local government varies significantly across the States, often related to the size and resources of the local council. However, the Committee heard about and saw many initiatives that have been successfully undertaken at the local level, clearly demonstrating the value of services being provided by and for the 'grass roots' level.

#### Centrelink

17.69 For many low income and disadvantaged Australians, Centrelink is their principal point of contact with government. Centrelink provides services on behalf of ten Commonwealth departments including Family and Community Services, Health and Ageing and Veteran's Affairs.

<sup>78</sup> Committee Hansard 29.5.03, pp.537, 540 (Newcastle City Council).

<sup>79</sup> *Committee Hansard* 1.5.03, pp.161-62 (Laverton Community Centre & Neighbourhood House).

<sup>80</sup> Submission 119, p.6 (Fairfield City Council).

# Access to and attitude of Centrelink staff

17.70 The Committee repeatedly heard evidence during the inquiry concerning difficulties with accessing Centrelink services and the attitude of Centrelink staff. Of major concern was the relationship between Centrelink staff and the people who seek their help. The Salvation Army Eastern Territory stated that 'it has become increasingly apparent, both through observation and research, that the relationship between Centrelink, and the welfare recipient, has deteriorated to the extent that it has become plainly adversarial'. The Committee received many comments supporting this view of Centrelink staff attitude to their customers:

The customer service staff make us feel as if we are taking money out of their own pockets.

We are treated as if we are all 'Dole Bludgers'.

Submission 135, p.3 (The Salvation Army Eastern Territory).

Quite often the admin staff look down on them and judge them because they are scruffily dressed, have no money, are on the dole and have not got a job. Some of the staff have said, 'There are jobs out there; you should go out and get one.' So they feel like they do not want to go into Centrelink, because they are judged every time they do. They sometimes get angry; therefore they get thrown out and do not access the service.

Committee Hansard 2.7.03, p.904 (Warrawong Community Development Project).

One male applied for the dole after working for 3 years full time, with a history of casual work since the age of 15. When he put in his application form, he felt Centrelink's staff weren't supporting him. In fact he observed that the staff treated people receiving benefits based on their appearance and sometimes gender.

This young male has a history of productive employment and yet was made to feel like a 'Blight on Society', and personally felt everyone would label him a 'Dole Bludger'. This male person has had a productive working employment record since he was 15 and achieved his V.C.E. and has furthered his academic studies at University & TAFE.

...This experience of seeking welfare support has put this person against applying for what is a rightful and justifiable claim for assistance between jobs. This raises concerns about how other "legitimate" claimants are treated and branded.

Submission 47, p.5 (Chelsea Neighbourhood Housing Inc).

17.71 The level of frustration and anger of people fronting Centrelink Offices or using Call Centres is often exacerbated when changes to their payments or financial circumstances have been the result of Centrelink error. A report of an evaluation of mistakes by Centrelink experienced by its customers across the employment, families and children, youth and student, retirement, and disability and carers payment streams indicated that the main types of mistakes focussed on payments being stopped or debt accrued, eligibility issues and misplaced documentation by Centrelink. The report noted that 'while it is largely inevitable that mistakes will occur in an organisation the size of Centrelink, the way these are handled, and perceptions of the seriousness of these mistakes varies widely, and as such, each mistake has a different effect on

customer perceptions of the organisation'. 81 Centrelink officers should have a greater understanding and sensitivity in dealing with customers who are aggrieved as a result of Centrelink's own mistakes.

17.72 There was also evidence concerning a lack of understanding of the difficulties of particular groups in accessing Centrelink services, the inflexibility of Centrelink in dealing with these groups and the lack of understanding of the impact of changes to procedures on people. The following examples provide an indication of some of the groups involved.

17.73 The particular concerns of women are sometimes not understood:

We have experienced cases where women have been penalised by Centrelink for late reporting of 'change of circumstances' often in the midst of a traumatising situation. In addition we have witnessed scenarios where Centrelink has refused to change payment details. For example, there is a 21 day waiting period for payment to be transferred from one parent to another if the initial carer of the child does not complete Centrelink documentation, even when there is clear evidence that the change has occurred. Obviously, with domestic violence this is not feasible.

Submission 93, p.2 (Lismore Women's and Children's Refuge).

17.74 There were examples of people with mental illness experiencing poor outcomes from their dealings with Centrelink.

We found a lady who had been living on the streets for years and if anyone deserved a pension it was her. I took her along myself to get her sorted out. She is paranoid and all these other things, and when the clerk said, 'What is your name?' she said, 'I don't have to tell you anything!' And then, of course, the guy started to put all his stuff away, 'Blow you, lady,' he said. It took days to get her sensible enough to be able to get a minimum of information. Then I found this clerk could have just signed the form, and I said, 'Why didn't you do that?' He said, 'She might rip the system off.' I find these people are too silly and too debilitated to be able to even begin to work out how to rip off the system.

Committee Hansard 20.6.03, p.662 (UnitingCare).

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<sup>81</sup> Evaluation of mistakes with Centrelink experienced by customers, Final report, DBM Consultants, June 2003; provided to Community Affairs Legislation Committee, 2003 Supplementary Budget Estimates, Answer to Question on Notice No 209 –Attachment 5.

To me, you need to talk about the staff at Centrelink and how they treat people on the dole or on the disability support pension, especially people with mental illnesses. Say you have schizophrenia and you are frustrated and they are not helping or assisting you in any way. You lose your temper and you go off the deep end. Those people just get turfed out or whatever happens. What does the person do then? They are back on the streets. There needs to be some compassion from some of these Centrelink people.

Committee Hansard 2.7.03, p.913 (Warrawong Community Development Project).

17.75 An example of the impact of changes to procedure was provided in relation to itinerant clients. These people are highly mobile and they have few personal belongings. They often lose most or all of their belongings as they shift from place to place. Centrelink may require the production of a birth certificate – an item that an itinerant person is very unlikely to possess. They are then required to pay \$42 to get another birth certificate. St Vincent de Paul commented 'there is little appreciation of how mobile many people living on the breadline are; it does not translate into Centrelink policies or even allow for flexibility in Centrelink policies'. 82

17.76 Illiterate clients are another group which often experiences difficulties accessing Centrelink and often are breached because they cannot respond to requests by Centrelink.

Grantleigh, 42, had problems dealing with Centrelink forms due to illiteracy. He was too ashamed to tell anyone that he could not read. Normally his wife helped him by reading out the forms but she went to hospital for four weeks for a major operation. In that time he received a letter from Centrelink. He was subsequently breached for failing to attend an interview. He did not realise he had been breached until his payments were reduced. He rang Centrelink to ask why his payments had been reduced and they informed him of the breach. First he claimed that he had not received the letter but he eventually plucked up the courage to tell them that he was illiterate. The breach was nevertheless maintained.

Submission 46, p.17 (SACOSS).

17.77 Another concern was the high level of debts to Centrelink. The Welfare Rights and Advocacy Service WA stated that 'there continues to be a significant effort on the part of Centrelink to raise and recover debts. Particularly targeted within this state are Indigenous people and young people, who may not have the same capacity to challenge overpayment decisions, even where there is a substantial merit to their case and provision for waiver action on the part of Centrelink exists.<sup>183</sup>

<sup>82</sup> *Committee Hansard* 2.7.03, p.964 (SVDP, Wollongong).

<sup>83</sup> Committee Hansard 28.7.03, p.1031 (Welfare Rights and Advocacy Centre).

17.78 Evidence from rural and regional Australia indicated that many people find contact with Centrelink 'becomes too hard' and they just give up trying to access services. People from rural areas have to use call centres and they find it difficult to access the correct information. Lifeline North Queensland stated 'they do not know what they are looking for, there they do no know what button to push'. This puts rural people at a disadvantage. 84

17.79 Another example of difficulties faced when functions are moved out of local areas was provided by the Illawarra Legal Service. Centrelink has now located its debt recovery section and the compensation section in Sydney. As a result, relationships are hard to build with people in Centrelink partly because 'they are removed even one more step from their customer client base. I think the more removed you get, the more desensitised you become to the particular problems that individuals face'. The Salvation Army described the impact for people in rural areas:

The administrative maze of debt collection in Horsham, records in Melbourne and call centres which are goodness knows where places at a disadvantage the already disadvantaged recipients in Ballarat and other rural areas. It is my belief and experience that Centrelink largely fails to understand and respond to the complexity of the needs and situations that people in poverty present with. <sup>86</sup>

17.80 The large turnover of Centrelink staff was seen as a problem by some agencies as it created difficulties for agencies and individuals to establish a working relationship with Centrelink. The other areas, the number of specialist staff has decreased or are insufficient to deal with the demand. The Salvation Army Ballarat stated that there had been four social workers for the area but this had been reduced so that it is fairly difficult for a client to see a welfare worker. St Vincent de Paul Lismore stated that Centrelink 'social workers today seem to filter the clients back to us to go into our budget counselling. That would suggest to me that the financial social workers in Centrelinks around Australia are overworked and only too glad to transfer the workload wherever possible, to someone else.

*Committee Hansard* 6.8.03, p.1249 (Lifeline North Queensland).

*Committee Hansard* 2.7.03, p.949 (Illawarra Legal Service).

*Committee Hansard* 30.6.03, p.746 (Salvation Army Ballarat).

*Submission* 171, p.6 (Southern Peninsula Community Support & Information Centre); *Committee Hansard* 2.7.03, p.914 (CPSA).

*Committee Hansard* 30.6.03, p.749 (Salvation Army Ballarat).

*Committee Hansard* 1.7.03, p.866 (SVDP, Lismore).

# Pressure on agencies from people directed by Centrelink

17.81 A number of agencies referred to the problem of Centrelink directing people to agencies without making initial contact and giving the impression that the agency will be able to provide immediate assistance. This is not always the case leading to more frustration for those seeking assistance and greater difficulties for agencies trying to help people.

I am sure that if you are working at the coal face of Centrelink, when you have got someone in distress because you are not able to assist them, it is an easier thing to say, 'Go and see that organisation, I am sure they will help you out'. 90

...in all our centres we have people sent daily from Centrelink to us and the feeling of the people coming to us is that, 'It was the government that told us its here.'

They have great expectations and they are disappointed half the time.

That is right, because we cannot help everybody. We do not have the funds. We have to monitor what we are doing and be careful with the funds.

17.82 These financial considerations lead into a broader issue raised in evidence concerning agencies being expected to take responsibility from government without additional funding, in effect providing a safety net that government was failing to do.

We are picking up those who fall out of the system, or for whom the system has failed...our funding has not increased but we are doing the work that maybe ought to be funded or done by government at some level.<sup>92</sup>

...we cannot afford to continually bail the government out of its economic and social responsibility to its citizens. We do not have the resources to do it, and we are just a single organisation. 93

#### Centrelink liaison with community sector

17.83 Centrelink indicated that it had recognised the need to deal more effectively with its customers and to develop greater links with the community sector. Centrelink provided the Committee with examples of new programs within Centrelink offices such as the provision of Personal Advisers to help mature aged people and parents to engage with the workforce or to take up social opportunities. Another program is the Financial Information Service which provides an independent, free and confidential

<sup>90</sup> *Committee Hansard* 2.7.03, p.941 (Anglicare Illawarra).

<sup>91</sup> *Committee Hansard* 1.7.03, p.866 (SVDP, Lismore).

<sup>92</sup> Committee Hansard 30.6.03, p.758 (Salvation Army Western Division Victoria).

<sup>93</sup> *Committee Hansard* 2.7.03, p.933 (Anglicare Illawarra).

service to the community that encourages and assists people to maintain or improve their standard of living by planning effectively for retirement and maximising overall retirement income. <sup>94</sup> Centrelink also employs welfare staff in its offices and other specialist staff such as disability-specific staff.

17.84 Centrelink indicated that its staff maintain contact with local organizations through regular meetings and consultations. Newcastle City Council noted that Centrelink had been involved in a number of its community consultations:

They are involved in some of our networks, like our homelessness network, so on a local level they have been quite participatory in what the local community perceives are its issues and looking at how they can work on local community issues. We have also been invited to Centrelink forums regarding venue policies, been briefed on what those policies are and been asked for input. Those processes are very open. 95

Other agencies also indicated that they met with the local Centrelink staff on a regular basis and that the meetings are very positive. However, this was not always the case and there are areas where meetings between agencies and Centrelink do not occur. 97

17.85 Centrelink commented that it 'was trying to present itself as being part of the community and facilitate in some instances the getting together of a number of community organisations to look at individual cases, particularly with youth'. At the same time, Centrelink through the Community Connect trial, is working on a more cooperative approach to sharing information about services.

17.86 As part of Australians Working Together, Centrelink staff created directories of services in locations. For the last year, Centrelink has been working with the community sector as how this information might be shared with them, 'in terms of giving a wide range of organisations access to a site that has a lot of detail on all those sorts of services in small locations, large locations, state funded community organisations and non-government organisations'. The trials are under way at the moment with some key organizations, including the Smith Family, the Benevolent Society and the Brotherhood of St Laurence, to look at how the site may be used in a

<sup>94</sup> Submission 165, Supplementary Information, 20.6.03, p.4 (FaCS).

<sup>95</sup> *Committee Hansard* 29.5.03, p.548 (Newcastle City Council).

<sup>96</sup> *Committee Hansard* 30.6.03, p.749 (Salvation Army Ballarat); 1.7.03, p.863 (SVDP, Tweed Heads); 2.7.03, p.941 (Anglicare Illawarra).

<sup>97</sup> *Committee Hansard* 1.7.03, 862 (Lifeline Northern Rivers).

<sup>98</sup> *Committee Hansard* 20.6.03, p.695 (Centrelink).

more cooperative way for sharing other information and for giving agencies access to more information that Centrelink holds.<sup>99</sup>

17.87 Centrelink is also using programs which respond more effectively to local community needs and targets groups in need. The use of support staff in Centrelink offices has proved valuable. St Patrick's Community Support Centre gave evidence on the value of community support staff in Centrelink:

Of our 93 residents and lodgers, the vast bulk of them are on some form of Centrelink payment. We have an excellent relationship with the local Centrelink people. They have a community support person out of the Centrelink office who is working really well. That is great. In terms of Centrelink and how it used to be and the difficulties that were associated with ringing up support staff within the Centrelink office, their having a person who is identified as a community person has certainly made my life a lot easier. I am able to ring in and say, 'What is the situation with this client?' They are able to tell me what is going on and it is able to be put to bed pretty quickly.<sup>100</sup>

17.88 Co-location of staff in Centrelink offices has also improved services. For example, in Sutherland, there are issues around tenancy rates, so a housing officer spends a day a week in the Centrelink office. This provides a coordinated service for clients. Outservicing is another way of improving services. Customer service officers visit organizations where there are particular issues and particular problems. Officers visit local juvenile justice centres, boarding houses and alcohol and drug services. The Rev Bill Crews indicated the benefits of this program as Centrelink visits his centre: 'one of the good things that Centrelink does is provide someone who comes down and spends a day with us and meets the people where they are. They bring along their laptop, plug it in and do it all there'. <sup>101</sup>

17.89 Centrelink is also targeting groups which have problems in accessing their services. One group is released prisoners who find it intimidating to have to come into Centrelink offices. Centrelink has been working with the correctional departments in all the States and Territories, looking at arrangements for Centrelink staff to be located in the prisons themselves before the prisoners are released so that Centrelink can connect them with their parole officers, with the courts. This will result in a more seamless integration of services and Centrelink officers will understand what referrals are out there for them. <sup>102</sup>

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<sup>99</sup> *Committee Hansard* 20.6.03, p.695 (Centrelink).

<sup>100</sup> Committee Hansard 28.7.03, p.1061 (St Patrick's Community Support Centre).

<sup>101</sup> Committee Hansard 20.6.03, p.662 (UnitingCare)

<sup>102</sup> Committee Hansard 20.6.03, p.696 (Centrelink).

17.90 In relation to illiterate clients, Centrelink is at present looking at better assessment tools to try to improve referrals for this group. However, Centrelink stated that these matters should be discussed at the initial grant interview with a person, but 'it does require the customer themselves to be prepared to talk to Centrelink about those issues, and in many cases they prefer not to say anything'. 103

#### Conclusion

17.91 The Committee heard a great deal of evidence, both negative and positive, concerning Centrelink. The Committee acknowledges that the role of Centrelink is often difficult and that programs have been put in place to build effective working relationships with welfare providers and to provide services more in line with the particular needs and circumstances of clients.

17.92 However, there was also evidence that the level of flexibility and willingness to build relationships varies between Centrelink offices. There was also evidence that there are insufficient specialist staff in some areas to meet increasing demand.

#### **Recommendation 92**

17.93 That Centrelink Community Service Centres be resourced to establish local management advisory committees with membership drawn from its customer base, emergency relief providers, local schools, the police, employers and community representatives to sensitise service delivery to local needs.

## **Recommendation 93**

17.94 That Centrelink CSCs be resourced to act as community service hubs for Commonwealth government-funded programs to ensure there is a greater connection between income support and other human service delivery.

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