

**Submission to the Senate Community Affairs
References Committee**

**Inquiry into the Funding and Operation
of the Commonwealth State/Territory
Disability Agreement**

August 2006



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Introduction and Background

This submission by the Disability Coalition WA places before the Senate Community Affairs References Committee issues and concerns relating to the funding and operation of the Commonwealth States and Territories Disability Agreement (CSTDA).

Background

On 11 May 2006 the Senate agreed that the following matter be referred to the Community Affairs References Committee for inquiry and report by 7 December 2006.

An examination of the funding and operation of the Commonwealth-State/Territory Disability Agreement (CSTDA), including:

- a. an examination of the intent and effect of the three CSTDAs to date;
- b. the appropriateness or otherwise of current Commonwealth/State/Territory joint funding arrangements, including an analysis of levels of unmet needs and, in particular, the unmet need for accommodation services and support;
- c. an examination of the ageing/disability interface with respect to health, aged care and other services, including the problems of jurisdictional overlap and inefficiency; and
- d. an examination of alternative funding, jurisdiction and administrative arrangements, including relevant examples from overseas.

This submission will address each term of reference, in turn, and then provide general comments in relation to the CSTDA. We commend the Community Affairs Reference Committee for its commitment to people with disability and their families and the acknowledgement of the significance and impact of the CSTDA. It is unquestionable that the only reason this inquiry has proven necessary is that the needs of many people with disability and their family across Australia are not being met.

This submission has been compiled by the Developmental Disability Council of WA for the Disability Coalition WA.

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Summary of Recommendations

1. An examination of the intent and effect of the three CSTDAs to date.

INTENT

The Disability Coalition recommends that the next CSTDA:

- return to the original aspirations of the first CSTDA, focussing on outcomes, not outputs; and meeting the individual needs of people with disability and families;
- return to the original obligation of the first CSTDA in relation to data requirements for better planning, meeting unmet need and evaluation purposes;
- in addition, ensure population needs-based planning with forward projections to forecast service needs; and
- express policy priorities with clear objectives with a focus on best outcomes for people with disability and families.

EFFECT

The Disability Coalition recommends that the next CSTDA reflects:

- A genuine commitment from the Commonwealth, State and Territory governments to people with disability and their families.
- An approach to disability as an issue about people, not politics.
- A commitment from the Commonwealth, State and Territory governments to work in partnership.
- A commitment to resolving unmet need for support services and a plan to accomplish this.
- An obligation to provide adequate and effective data to enable planning to meet the unmet need and future service provision.
- A vision for providing a comprehensive national framework to provide supports and services into the future.
- A framework with a preventative approach which builds on the capacity of people with disability, their families and carers.
- Absolute clarity on the funding responsibilities and contributions of the Commonwealth, States and Territories.

2. The appropriateness or otherwise of current Commonwealth/State/Territory joint funding arrangements, including an analysis of levels of unmet need and, in particular, the unmet need for accommodation services and support.

Unmet Need

The Disability Coalition recommends that the next CSTDA:

- explicitly reflects a commitment to provide adequate and effective data to identify and monitor 'unmet need'. That this commitment is a joint responsibility of Commonwealth and State/Territory governments.
- provides for the Commonwealth and State/Territory governments to work in co-operation and partnership in developing a comprehensive plan to address identified unmet need.
- defines 'unmet need' and levels of need according to definitions developed by the Australian Institute of Health and Welfare.

Growth Funding

The Disability Coalition recommends that the next CSTDA provide a formula for growth funding from both the Commonwealth and the States/Territories to ensure service provision increases in proportion to growth in demand.

Indexation

The Disability Coalition recommends that the next CSTDA:

- include a guarantee of full indexation of funding for disability services to ensure that funding keeps pace with increases in the costs of service delivery, including increases for wages, on-costs and overheads as well as increases in fuel costs and reporting costs.
- Include an adequate formula for the calculation of indexation
- Include a one-off special indexation adjustment to compensate for inadequate levels of indexation since 2002.
- Include a guarantee that funding of disability services will not be cut through productivity 'dividends' or productivity or efficiency cuts to funding.
- Include a commitment to provide a reasonable indexation rate both to the States/ Territories and to service providers.

Equitable distribution

The Disability Coalition recommends that the Commonwealth meet its obligation to ensure an equal per capita distribution of Commonwealth funds. However, the Disability Coalition recommends that equalisation take place at no loss to any State.

Shared Funding

The Disability Coalition recommends that disability should be a priority for both Commonwealth and State/Territory governments.

- 3. An examination of the ageing/disability interface with respect to health, aged care and other services, including the problems of jurisdictional overlap and inefficiency.**

Jurisdictional overlap and inefficiency

The Disability Coalition recommends that the next CSTDA actively foster improved partnerships and program integration across the whole of government and between governments in order to enable people with disabilities to develop individually appropriate suites of supports.

Ageing/Disability interface

The Disability Coalition recommends that the next CSTDA:

- include priority action in the area of the interface between ageing and disability.
- commit government agencies at *both* levels of government to take a 'whole of government' and cross-jurisdictional partnership approach.

- 4. An examination of alternative funding, jurisdiction and administrative arrangements, including relevant examples from overseas.**

The Disability Coalition recommends that:

- disability support services becomes an entitlement program.
- an exploration of alternative funding and administrative arrangements for human services in other countries is undertaken.

Disability Coalition WA

The WA Disability Sector's peak, network and representative bodies work co-operatively through the **Disability Coalition WA** ("the Coalition"). The Coalition comprises ACROD(WA), Carers WA, CASA (Committed About Securing Accommodation), DDC (Developmental Disability Council of WA), EDAC (Ethnic Disability Advocacy Centre), Headwest and PWD(WA) [People with Disabilities (WA)]. The Ministerial Advisory Council on Disability (MACD) sits on the Coalition as an observer.

The Coalition meets regularly to facilitate communication and the sharing of information; to maximise collective efforts; to ensure minimum duplication; and, to provide the infrastructure for a strong, united voice on issues of common concern. The CSTDA is one such common concern.

ACROD(WA)

ACROD WA is part of the National Industry Association for Disability Services, the major peak association for disability service providers in WA. ACROD WA's membership includes over 80 non-government, not for profit organizations that collectively operate several thousand services for Western Australians with all types of disabilities; this includes, intellectual, physical, psychiatric and sensory disabilities.

ACROD's mission is to promote the development of quality services and life opportunities for Australians with disabilities. ACROD works to increase the capacity of its members to operate effectively and efficiently and to influence public policy so that it is responsive to the needs of people with disabilities.

Carers WA

Carers WA is a non-profit community based organisation and registered charity dedicated to improving the lives of Carers living in Western Australia. Part of the National Carers Association, Carers WA is the peak body recognised both state and federally, as the voice of family Carers, representing Carers interests in the Western Australian community.

Carers WA's role is to work in active partnership with Carers, persons with care and support needs, health professionals, service providers, government and the wider community to achieve an improved quality of life for Carers.

CASA

Created by families, for families, to be a united voice and committed body of families with a vision of securing support services for all people with disabilities who need them. CASA is both a support group for families with a member with a disability and also an advocacy group raising awareness of the critical unmet need in support services and ensuring the rights of people with disabilities are recognised and safeguarded.

DDC

DDC is a not for profit, community organisation providing a strong voice for people with developmental disability, their families and the organisations that work for them. DDC works to promote and safeguard the rights of people with developmental disability and to ensure they are provided the supports and services they need.

DDC is the WA State Agency member of the National Council on Intellectual Disability (NCID), the national association representing people with intellectual disability and their families in Australia.

EDAC

EDAC was established to advocate for and empower people with a disability from non-English speaking backgrounds and aims to safeguard the rights of ethnic people with disabilities and their families.

EDAC provides individual advocacy to assist in access to services and to resolve problems; systemic advocacy on cultural diversity and disability issues; information on disability support services, community groups and government agencies/policies; supports and networks for people with a disability from a non-English speaking background; and, delivers cross-cultural training to organisations on best practice models of service delivery and issues for ethnic people with disabilities.

Headwest

Headwest (Brain Injury Association of WA Inc) provides a specialised and tailored individual and systemic advocacy service that assists people with acquired brain injury (many of whom have multiple complex needs), their family and/or their carers to address particular issues or problems.

The assistance provided includes individual advocacy, information and referral in the areas of accommodation services, education and training, financial and legal assistance, medical and therapy services, recreation, respite and carer support and transport.

PWD (WA)

PWD (WA) is the peak disability consumer lobby group in Western Australia representing people with disabilities - physical, intellectual, psychiatric and sensory. PWD (WA) provides a range of services including advocacy, information and referrals, community education and lobbying.

Individual Advocacy is available for individuals or groups and assistance with self advocacy is given when needed. PWD (WA) is also involved in lobbying for systemic change and therefore liaises with government, non-government agencies, other disability organisations and individuals.

MACD (*The MACD has Observer Status on the Disability Coalition WA*)

The MACD is a legislated independent body which was established to ensure the interests of people with disabilities, their families and carers are adequately represented to government. The 14 member Council is drawn from interested people who have skills, experience or knowledge of disability.

The Council's advice to Government is based on consultation with the community and key stakeholders. The Council directly advises the State Minister for Disability Services. The Council, as a State Disability Advisory Council also advises the National Advisory Council on Disability and Carer Issues, who in turn advises the Australian Government Minister responsible for disability services.

Terms of Reference

1. An examination of the intent and effect of the three CSTDAs to date.

INTENT

First CSTDA

The first CSTDA (then known as CSDA) was signed in 1991. Negotiated during the Hawke government within the context of strong co-operation between the Commonwealth and State/Territory governments, the CSTDA was intended to rationalise the service roles and responsibilities of Commonwealth, State and Territory governments. It did so by providing a national framework for the funding and administration of specialist disability support services. This agreement contained many laudable and aspirational principles and objectives which need to be highlighted.

It contained the essence of the arrangement that has run through all three CSTDAs:

- Commonwealth responsibility for the “approval, administration and evaluation” of employment services;
- State/Territory responsibility for the “approval, administration and evaluation” of accommodation support, respite care, independent living training, recreation, information and print disability services;
- Joint responsibility for the “approval, administration and evaluation” of advocacy services, research and development;
- “Joint responsibility for contributing funds for the provision of services”.¹

It called upon all State governments to enact State legislation that broadly reflected the Commonwealth Disability Services Act 1986 already in place. This was in the spirit of developing a national legislative system for disability.

It also contained two key wishes:

1. that any arrangements to maintain the “focus on better outcomes for persons with disabilities”; and
2. that there is “access to appropriate services which meet [people with disabilities] individual needs”.²

These wishes are reflected in the extensive list of objectives contained in the first CSTDA.³

It specifically included data requirements directed to three key areas:

1. effectively planning for future service provision (ie, type and level of disability, location of service, type of service);
2. unmet needs data to assist in planning for future service provision; and
3. evaluation data to provide an indication of the effectiveness of service provision.⁴

In relation to funding, it contained a Commonwealth commitment to “achieving an equal per capita distribution of Commonwealth funds made available to disability services to the States”.⁵ It also provided a formula specifically targeted at ensuring the provision of growth funds from the Commonwealth and State government, critical towards ensuring meeting demand for services.⁶ A formula of any nature has since been removed from subsequent CSTDAs.

¹ First CSDA 1991, Part V – Responsibilities of the Parties.

² Ibid, p1.

³ Ibid, Part III – Principles and Objectives, fourteen listed objectives (a) – (n)

⁴ Ibid, Part X – Data.

⁵ Ibid, Section 7(5).

⁶ Ibid, Sections 7(6) to 7(13).

Second CSTDA

The second CSTDA was signed in 1998 after lengthy negotiations. The vast majority of aspirational objectives contained in the first CSTDA were excluded. The only objective contained was to “strive to enhance quality of life experiences by people with disability”.⁷ In working towards this objective the second CSTDA’s set of aims leaves much to be desired in terms of working towards the goal of individualised services that meet the needs of people with disability. The aims were phrased in limiting terms, for example:

- Providing access to services on relative need and available resources; and
- Ensuring people with disability and their carers are consulted in relation to services available to meet their individual needs and goals.⁸

Under this agreement, the Commonwealth and State/Territory governments simply “agree to use their best endeavours to improve the level of funding available” for support services in light of identified issues.⁹ These issues were service reform, the redevelopment of transferred services and unmet need.

It did not address unmet need for support services other than to contain an agreement that the Commonwealth and State Ministers will meet in future to address the issue of unmet need and that they may subsequently agree on the contribution of additional funds for this purpose.

It concluded without the same data requirements as the first CSTDA therefore halting any specified commitments towards planning to meet demand for services.

Current CSTDA

The current CSTDA was signed in 2002/03 and is due to expire at the end of 2006/07. The agreement regains some ground with the inclusion of a somewhat aspirational Preamble containing notions of co-operation between the Commonwealth and State/Territory governments; the rights of people with disability under international agreements; and, a desire for responsiveness to individual needs. It is notable that the Preamble does not constitute the substance of the agreement and, as such, has no functional value.

The vision contained in the Preamble is expressed within the agreement in terms of the focus on five policy priorities phrased in limiting terms:

1. strengthen access to generic services;
2. strengthen across government linkages;
3. strengthen individuals, families and carers;
4. improve long-term strategies to respond to and manage demand; and
5. improve accountability, performance reporting and quality.¹⁰

These priorities are limiting in that they do not provide clear goals to aspire to nor a detailed plan on how to achieve them. The approach to demand being one of management also falls short of what is required – that of meeting need.

Aside from the vision in the Preamble and the five policy priorities the current CSTDA remains essentially the same as the second CSTDA. The essence of the current agreement falls short of the forward thinking and goal setting embodied in the first CSTDA.

⁷ Second CSDA 1998, Section 4(1).

⁸ Ibid, Section 4(2).

⁹ Ibid, Section 8(1).

¹⁰ Third CSDA 2002, Section 4(2).

The Disability Coalition recommends that the next CSTDA:

- **return to the original aspirations of the first CSTDA, focussing on outcomes, not outputs; and meeting the individual needs of people with disability and families.**
- **return to the original obligation of the first CSTDA in relation to data requirements for better planning, meeting unmet need and evaluation purposes.**
- **in addition, ensure population needs-based planning with forward projections to forecast service needs.**
- **express policy priorities with clear objectives with a focus on best outcomes for people with disability and families.**

OVERALL EFFECT

The effect of the CSTDAs has not been as intended. As has been outlined, the potential contained in the first CSTDA has been lost over the life of the subsequent agreements with the watering down and exclusion of key principles and objectives required for best outcomes for people with disability and their families.

In essence, the CSTDA:

- has not achieved its potential for providing the supports and services that people with disability and their families require.
- provides no vision or plan to meet the needs of people with disability across Australia.
- falls well short of providing a comprehensive national framework that makes a positive difference to the lives of thousands of people with disability.
- is unclear in relation to the funding responsibilities of each level of government.
- Provides inadequate measures to ensure good outcomes for people with disability.

The entailing system has become too crisis driven and fails in meeting the stated objective of strengthening people with disability, their families and carers. The shortcomings of the current CSTDA result in a very heavy cost to people with disabilities and their families, to government and to the taxpayer.

However, disability is a critical national issue and people with disability are best served by engaging both levels of government. The shortcomings of the CSTDA are also not insurmountable. What is required is the determination of all of Australia's Commonwealth and State/Territory governments to work together and in consultation with people with disability, their families and the disability sector.

The Disability Coalition recommends that the next CSTDA reflects:

- **A genuine commitment from the Commonwealth, State and Territory governments to people with disability and their families.**
- **An approach to disability as an issue about people, not politics.**
- **A commitment from the Commonwealth, State and Territory governments to work in partnership.**

- **A commitment to resolving unmet need for support services and a plan to accomplish this.**
- **An obligation to provide adequate and effective data to enable planning to meet the unmet need and future service provision.**
- **A vision for providing a comprehensive national framework to provide supports and services into the future.**
- **A framework with a preventative approach which builds on the capacity of people with disability, their families and carers.**
- **Absolute clarity on the funding responsibilities and contributions of the Commonwealth, States and Territories.**

2. The appropriateness or otherwise of current Commonwealth/State/Territory joint funding arrangements, including an analysis of levels of unmet need and, in particular, the unmet need for accommodation services and support.

Unmet Need

Unmet need is a national issue requiring a national response. The unmet need crisis is not limited to accommodation services. It also affects:

- supports which enable people to continue to live independently in their own homes
- essential respite services for families caring for a family member with a disability
- services which provide people with disabilities with employment and assistance in preparing for and finding employment
- support required for meaningful daytime activity and for personal and social development
- therapy services to support people with disability in reaching their full potential
- advocacy to help people with disability, their families and carers to access supports and services required

Although State governments have responsibility under the CSTDA to provide the majority of services to which there is an unmet need, the Commonwealth government has a shared responsibility for funding these services and the capacity to take a leadership role to respond to this national crisis. It is imperative in both economic and human terms that we address current and escalating levels of unmet need for disability services.

The proportion of total expenditure on disability supports and services provided by the Commonwealth decreased from 38% in 1994/95 to 28.8% in 2002/03. The States contribute the remainder.¹¹

The current CSTDA is not explicit about meeting 'unmet need'. It contains no reference to 'unmet need' and refers to 'unmet demand'.¹² There is significant difference between a 'need' and a 'demand', or an entitlement and an articulation.

In a national study of funding for unmet needs in disability services over 2000-01 and 2001-02, the Australian Institute of Health and Welfare (AIHW) 'conservatively estimated' that 'nationally 12,500 people needed accommodation and respite services, 8,200 places were needed in community access services, and 5,400 people needed employment support.' The study also suggested that many carers were needing assistance, in both the over-65 and under-65 age groups.¹³

National data on services provided under the CSTDA in 2003-04 was reported by the AIHW in 2005. The data indicates that of the potential population of service users only 4.8% received accommodation services, only 9.6% received respite services, only 11.5% received community support services, and only 19.6% received employment services.¹⁴

In all jurisdictions current levels of unmet need reflect chronic under-investment by successive governments in services and supports required to meet the needs of people with disabilities. That under-investment comes at an unacceptable human cost and an undesirable long-term financial cost. For example, this under-investment comes at a cost to government through the loss of families and carers participating in the workforce and the adverse impact on their health and wellbeing.

¹¹ NCID, Interaction, Vol 17, Issue 4 2004, figures taken from Productivity Commission Report of Government Services, 2004. Commonwealth proportion includes cash transfers under CSTDA.

¹² Third CSTDA 2002, Section 4(2)(d)

¹³ AIHW media release, 28 June 2002.

¹⁴ Ibid, p.45. And see AIHW, Disability Support Services 2004-04, Cat No DIS 40, Canberra, 2005.

The Disability Coalition recommends that the next CSTDA:

- explicitly reflects a commitment to provide adequate and effective data to identify and monitor 'unmet need'. That this commitment is a joint responsibility of Commonwealth and State/Territory governments.
- provides for the Commonwealth and State/Territory governments to work in co-operation and partnership in developing a comprehensive plan to address identified unmet need.
- defines 'unmet need' and levels of need according to definitions developed by the Australian Institute of Health and Welfare.

Growth Funding

Population changes in Australia are predictable and will be reflected in a growing demand for disability services. We need to plan for adequate services into the future. Current levels of service are not sufficient to meet current need let alone increased need in the future.

Unless there is adequate funding to account for population growth, unmet need will worsen. An evaluation and proper planning for growth is a yardstick of good government.

Increasing need for disability services is a national phenomenon. The number of people in Australia with a severe or profound disability more than doubled between 1981 and 1998. It increased from 452,900 to 954,900. By 2006 this number is expected to be over 1.3 million.¹⁵

The current CSTDA aims to improve:

... long-term strategies to respond to and manage demand for specialist disability services through:

- *a strategic approach to broad national and local/jurisdictional planning to underpin the determination and allocation of equitable funding to respond to unmet demand, growth in demand and cost increases.*¹⁶

Furthermore:

*Commonwealth, States and Territories acknowledge demand management requires regular annual growth in funding levels to continually improve the level and quality of services.*¹⁷

However, neither of the statements above suggest a clear, explicit commitment to increased funding to meet increased demand growth from the growing population of people with a disability. Whilst estimates of the precise quantum vary, a significant projected increase in the demand for disability services and supports has been identified. Currently the CSTDA framework does not appear to include an explicit demand growth factor.

Professor Yeatman (1996) identified a 'tight rationing culture which characterises the provision of disability services' and 'has prevented strategic thinking around the development of an adequate, responsive and comprehensive disability service system.'¹⁸

Evidence of a desire for rationing through tightened eligibility is apparent in the terminology used by the then Federal Department of Family and Community Services (FaCS) to describe people to

¹⁵ AIHW, media release, Disability and ageing up together, 11/12/00

¹⁶ Third CSTDA 2002, Section 4(2)(d)

¹⁷ Ibid, Section 8(8)

¹⁸ Quoted in Burbridge, A., 'Developments in Disability Policies', *Family Matters*, Australian Institute of Family Studies, No 45, Spring / Summer 1996

be assisted under the CSTDA. In 2005 the then FaCS – who describe themselves as providing ‘policy leadership responsibilities’ for the CSTDA – described the CSTDA ‘as the national framework for the provision of government support to specialist services for people with severe and profound disabilities’. This is despite the fact that there is nothing in the CSTDA that restricts eligibility purely to those with ‘severe and profound disabilities’.¹⁹

These developments are inappropriate because good government is fundamentally about understanding and planning an adequate response to changes in the nature of the population and in the service and support needs of that population. Population increases, the ageing of the population and other demographic changes will inevitably result in increased demand for disability services and supports. Rather than instituting short-sighted cost cutting and rationing rationales Governments should be planning for the long term process of the staged investment required to adequately meet existing and future needs.

Strategic investment in services and supports which facilitate a pro-active approach would be a more sustainable means of long term cost containment than a narrow focus on tighter rationing, which is likely to simply shift costs to other areas of Government and to result in higher longer term costs.

The Disability Coalition recommends that the next CSTDA provide a formulae for growth funding from both the Commonwealth and the States/Territories to ensure service provision increases in proportion to growth in demand.

Indexation

Inadequate indexation of funding over recent years has compounded the financial pressures on disability services resulting from already inadequate funding levels. Governments must guarantee that funding for disability services is fully indexed to ensure that funding keeps pace with increases in the costs of service delivery to ensure the maintenance of quality of services to people with disability.²⁰

The CSTDA provides for annual indexation of Commonwealth funds to be transferred to the States and Territories to account for increased costs associated with wages and inflation. The current CSTDA states:

Indexation on Commonwealth funds to be transferred to States will be calculated each year by reference to the Commonwealth indexation parameter called Wage Cost Index 2 and announced in the Commonwealth Budget. This parameter is composed of 90% measure of the change in wage costs (salary net adjustment) and 10% measure of changes in non-wage costs (Treasury Measure of Underlying Inflation).²¹

Bradbury (2002) notes that the Wage Cost Index 2 makes assumptions about productivity growth and efficiency that are ‘not in accord with generally accepted economic principles’. For example, ‘economic theory suggests that wage growth in service industries, and human services in particular, will run well ahead of productivity growth in that sector’. Bradbury recommends that the Commonwealth revise its method of indexing disability grants and use an alternative method based on the ABS Wage Cost Index with a small CPI component.²²

¹⁹ See FaCS submission to the Senate inquiry into Quality and Equity in Aged Care at http://www.aph.gov.au/senate/committee/clac_ctte/aged_care04/submissions/sub168.pdf

²⁰ See Coalition for Disability Rights, ‘A Fairer Deal for People with Disabilities and their Families: Call to Political Parties 2006 Victorian State Election’

²¹ Third CSTDA 2002, Section 8(10)

²² Bruce Bradbury, *Methods to Address Requirements for Changes in Funding Disability Services Brought About by External Change*, Social Policy Research Centre, University of NSW. Report presented to the Department of Human Services for the National Disability Administrators. April 2002.

Service providers have been forced to bear much of the brunt of what has been in real terms an annual funding cut. The end result of this approach is to reduce the quantity of services for people with disability and more importantly it has threatened the quality of services to people with disability.

A realistic indexation formula which takes into account all cost factors need to be immediately implemented by both Commonwealth and State/Territory governments. It is notable that State governments levels of indexation are all significantly higher than the Commonwealth's. WA's State indexation rate is 3.4% (above the average rate of indexation) whilst the Commonwealth's is 1.8% (far below the average rate of indexation).

Interestingly, the Commonwealth uses a similar formula to the WA Government in relation to the indexation of residential aged care facilities. There is no apparent justification for the Commonwealth applying different indexation rates to aged care and disability care sectors.

The Disability Coalition recommends that the next CSTDA:

- **include a guarantee of full indexation of funding for disability services to ensure that funding keeps pace with increases in the costs of service delivery, including increases for wages, on-costs and overheads as well as increases in fuel costs and reporting costs.**
- **Include an adequate formula for the calculation of indexation**
- **Include a one-off special indexation adjustment to compensate for inadequate levels of indexation since 2002.**
- **include a guarantee that funding of disability services will not be cut through productivity 'dividends' or productivity or efficiency cuts to funding.**
- **Include a commitment to provide a reasonable indexation rate both to the States/Territories and to service providers.**

Equitable distribution

In relation to funding, the first CSTDA contained a Commonwealth commitment to "achieving an equal per capita distribution of Commonwealth funds made available to disability services to the States". This is, as yet, to be accomplished.

Western Australia, for example, has approximately 10% of Australia's population of people with disability yet only receives 8% of funding from the Commonwealth. Queensland and Victoria also receive less than their share of the population.

The Disability Coalition recommends that the Commonwealth meet its obligation to ensure an equal per capita distribution of Commonwealth funds. However, the Disability Coalition recommends that equalisation take place at no loss to any State.

Shared Funding

Despite the separation of responsibility for the planning, policy setting and management of different specialist disability services, all the CSTDAs have clearly stated that the funding of specialist services is a shared responsibility.²³

²³ Current CSTDA 2002, Section 6(1).

The CSTDA states no distinction in the services that the Commonwealth contribute funds to. The Commonwealth clearly has responsibility for ensuring an adequate and substantial contribution to State administered services, not just employment services.

This places no disregard for the onus on State/Territory governments to meet their funding responsibility and commit to substantial increases in funding of their administered disability services, particularly in light of the significant unmet need.

The Disability Coalition recommends that disability should be a priority for both Commonwealth and State/Territory governments.

3. An examination of the ageing/disability interface with respect to health, aged care and other services, including the problems of jurisdictional overlap and inefficiency.

Jurisdictional overlap and inefficiency

All government services, programs and facilities must be equally and fairly available and accessible to people with disabilities.

Integrated and co-ordinated action across the whole of government and between governments is essential in meeting the needs of people with disability and their families. Greater co-operation across government and across jurisdictions is especially critical at key life transition points. For example, leaving school or leaving work and retiring.

Rigid program and jurisdictional delineations stand in the way of people with disabilities accessing individually tailored suites of support which match their individual circumstances, needs and life choices.²⁴

The CSTDA already recognises the need for better inter-governmental and intra-governmental linkages, however this has not been translated well into practice.

The Disability Coalition recommends that the next CSTDA actively foster improved partnerships and program integration across the whole of government and between governments in order to enable people with disabilities to develop individually appropriate suites of supports.

Ageing/Disability interface

The ageing/disability interface is only one of numerous interface issues but one of particular concern due to Australia's ageing population and the increasing life expectancies of people with disability. The percentage of the population that has a disability also increases with age. According to the ABS (Australian Bureau of Statistics), disability rates increase from 4.3% between age 0-4 up to 92.1% for those over the age of 90.²⁵

The rigid boundaries between Commonwealth aged care policy and the CSTDA have been exposed, to some extent, by recent Senate inquiries. For example:

- Evidence indicates that Commonwealth Aged Care Assessment Teams have been refusing to do assessments on people aged under 65 years.²⁶
- Evidence that Aged Care Assessment teams are not equipped to assess people with a disability.²⁷
- Commonwealth aged care policy precluding residents of Commonwealth aged residential facilities from accessing disability services under the CSTDA, even though these people are part of the CSTDA target group;²⁸ and
- Commonwealth Community Aged Care Packages denied to people in supported accommodation funded through the CSTDA or by State Governments.²⁹

²⁴ See Coalition for Disability Rights, 'A Fairer Deal for People with Disabilities and their Families: Call to Political Parties 2006 Victorian State Election'.

²⁵ Australian Bureau of Statistics survey, *Disability Ageing and Carers* 2003.

²⁶ Community Affairs References Committee Aged Care Discussion, 26 April 2005 at http://parlinfoweb.aph.gov.au/piweb/view_document.aspx?id=108626&table=COMMSEN

²⁷ NSW Council for Intellectual Disability, submission to the Senate Aged Care inquiry at http://www.aph.gov.au/senate/committee/clac_ctte/aged_care04/submissions/sub218.pdf

²⁸ Community Affairs References Committee Aged Care Discussion, 18 March 2005 at http://parlinfoweb.aph.gov.au/piweb/view_document.aspx?id=108602&table=COMMSEN

A submission to the 2005 Senate inquiry report on *Quality and Aged Care* stated, 'the funding formulae and administrative arrangements that govern the aged care and disability service systems seem to assume that a person is either disabled or aged, but cannot be both.'³⁰

The same Senate report recommended that the Commonwealth Government 'address the need for improved service linkages between aged care and disability services.'³¹

The problem is not assisted by the fact that there is nothing in the current CSTDA about the interface between ageing and disability. Although the CSTDA 'policy priority' includes to 'strengthen across government linkages' it contains no specific reference to aged care and disability services.

The problem of the ageing / disability interface has been identified as an issue of concern for quite a number of years. There is a definite and clear need for integration of Commonwealth and State but very little progress has been made.

The Disability Coalition recommends that the next CSTDA:

- **include priority action in the area of the interface between ageing and disability.**
- **commit government agencies at *both* levels of government to take a 'whole of government' and cross-jurisdictional partnership approach.**

²⁹ See page 82 of the Community Affairs References Committee transcript of 11 February 2005 at <http://www.aph.gov.au/hansard/senate/commtee/S8103.pdf>

³⁰ Community Affairs References Committee, *Quality and Equity in Aged Care*, Parliament of Australia, June 2005, p.144

³¹ Recommendation 44 at http://www.aph.gov.au/senate/committee/clac_cte/aged_care04/report/c06.htm

4. An examination of alternative funding, jurisdiction and administrative arrangements, including relevant examples from overseas.

It is difficult to advance alternative funding, jurisdiction and administrative arrangements from within Australia as there are none in comparable human service sectors that are proven effective. However, it would seem prudent to undertake an exploration of alternative funding and administrative arrangements for human services in other countries.

The CSTDA sits within a context of numerous agreements and arrangements between the Commonwealth and State/Territory governments. These agreements and arrangements reflect the political ideologies and political wills of the governments of the day. Australia's federal system is witnessing a centralisation of its governance and a strong vertical fiscal imbalance.

Lengthy discussions could take place over funding and policy responsibilities and whether they become solely the responsibility of the Commonwealth or the States/Territories or a joint responsibility. These debates are influenced by current Commonwealth and State relations debates beyond the context of disability. It is not for us to outline and propose the best arrangements.

The responsibility remains with Governments to ensure that whatever arrangements are agreed upon these arrangements serve the people they have been elected to serve, to represent and to provide for and protect. The CSTDA is about people, it is about human lives, it is about Australian citizens. If the overarching drive of the CSTDA is best outcomes for the people with disability then the appropriate arrangement will follow suit. Governments who care will work in the spirit of co-operation and place ultimate value on peoples lives.

In WA, the CSTDA is one of our top ten sources of income through specific purpose payments. The Commonwealth's contribution to our disability budget through the CSTDA is approximately 17%. As advised by the NSW Aged Care Alliance to NSW Premier Iemma, "before a re-distribution of funding and program responsibilities between Commonwealth and State jurisdictions could be effected, any change to the existing arrangements must deliver guaranteed qualitative and quantitative improvements to the provision of services and supports".³² The Disability Coalition strongly supports this advice as applicable across Australia.

The NSW Aged Care Alliance also suggests that aged care and community care should become an entitlement program.³³ The Disability Coalition also strongly supports this notion and suggests it is equally applicable to disability support services – in fact, all human services required by Australian citizens to live a decent life and be given a fair go.

The Disability Coalition recommends that:

- **disability support services becomes an entitlement program.**
- **an exploration of alternative funding and administrative arrangements for human services in other countries is undertaken.**

³² See NSW Aged Care Alliance Response to the proposed COAG decisions, November 2005. Advice to Premier Iemma on COAG decisions, p2.

³³ Ibid, p9.

General Comments

According to the Australian Bureau of Statistics (ABS), in 2003, people with disability constituted 20% of Australia's population.³⁴ Statistics alone suggest that disability is a significant issue that must be addressed appropriately and adequately by Australia's governments. More importantly though, disability is not just an issue, disability is about people. Australia is judged not on its rhetoric but its action. And, it is judged by how it provides for all its citizens, not just some.

People with disability and their families have the right to a fair go and a good life equitable to all other citizens of Australia. They have the right to be treated with respect and dignity and the right to be provided with the supports and services required to live a life comparable to other citizens of Australia.

People with disability have the right to good health, education, employment and accommodation – and any other supports and services required to live a good life. This is no different to the rights of nor the needs of everyone else. These rights also indicate that disability cannot be dealt with in isolation. People with disability require services that cross governmental departmental divisions and they require different services throughout their lives.

People with disability also have different needs according to the limitations or restrictions of their disability. People with physical, sensory, cognitive, psychiatric and intellectual disability all have differing needs and cannot be treated in the singular.

People with disability receive support and assistance both informally through family and friends, and formally through government, non-government service providers and commercial organisations. The vast majority of support is provided by family and friends. For example, according to the ABS, in Western Australia, 87% of people with disability receive assistance informally through family and friends and 60% receive formal assistance. These formal services are not sought after lightly. They are services needed, in many cases to prevent the breakdown of families.

Our community expects that people who require assistance get the help they need.

No one would say that children born with a disability should not get the therapy they need!

No one would say that families with very large caring responsibilities should not get the breaks they need to keep going!

No one would say that families should be left to collapse under intolerable difficulties without help!

No one would say that parents caring for children with disabilities should have to forgo the opportunity to earn a living, to save for their old age, to plan their retirement!

No one would say that people with disabilities should not receive the support they need in order to contribute to the work force.

No one would say that people with disabilities should not receive the support they need in order to leave the family home and live independent adult lives when the time is right for them.

³⁴ Australian Bureau of Statistics survey, *Disability Ageing and Carers* 2003.