The Hon. John Brumby MP Treasurer 1 Treasury Place GPO Box 4379QQ Melbourne VIC 3001

Dear Treasurer

### 2002-2003 STATE BUDGET PRIORITIES

Thank you for the opportunity to contribute our views for consideration in the development of the 2002-2003 State budget. I have attached a submission which deals with areas we believe require attention from the State Government, and copies of this will also be sent to the relevant Ministers.

In keeping with your request for a small number of broad, high-level priorities, I would like to highlight three areas we believe should be priorities for a whole of government approach in the next State budget, as people look to this Government to enhance the situation of vulnerable and disadvantaged Victorians.

### 1. EMPLOYMENT

Unemployment, particularly long-term unemployment, is the most significant cause of poverty and disadvantage in our community. The unemployment rate for Victoria jumped to 7.0 per cent in October 2001, suggesting that we face a period of rising joblessness and associated hardship for many more Victorians. We believe the State government should develop an integrated whole of government approach to employment growth, linking programs and strategies across departments.

Features of such a strategy would include:

- Increased government spending on community aged care, health and community services, education and environmental management;
- Development of avenues of support for social entrepreneurs and social enterprise as a part of a jobs creation strategy;
- A greater emphasis on employment in the Regional Infrastructure Development Fund ;
- Incorporation of administrative funding in the Community Jobs Program, targeted to disadvantaged regions;
- An increase in the period of funding for the Community Jobs Program to between 6 and 12 months;
- Increase in public sector traineeships and entry level jobs; and
- Greater integration of policy and programs to overcome the fragmentation of the employment, education and training systems at all levels of government supported by the planning of an employment summit.

### 2. COST OF SERVICES AND THE ROLE OF STATE CONCESSIONS

There are a wide variety of charges for services provided by or regulated by the State government, and a range of concessions for people on low incomes. Currently, individual programs and departments determine charges for services, with little or no reference to each other, or to the

overall effect on clients. The cumulative impact on people on low incomes can be considerable, even though the individual charges may not appear very large.

Fees may be counter-productive in the longer term since they provide a real barrier for people who need to access services. Such services (for example many community health and family support services) play an important role in preventing or delaying the need for more costly intervention.

In addition, concessions for some costs are provided for holders of Health Care Cards, but these concessions have not kept pace with inflation for the last ten years. A whole of government approach is required to examine the impact of all State Government fees and concessions, and their level over time. However, the government needs to act on some areas immediately.

The State Government should take action to improve the lives of low-income Victorians by:

- Conducting an analysis of the distributional impact of State Government fees and concessions;
- Increasing the Education Maintenance Allowance for primary school students to \$257 p.a., and for secondary students to \$515 p.a., and paying the entire amount directly to the parent/guardian;
- Cancelling fees for services for Health Care Card holders in community health centres and public dental services, and compensating providers through increased funding; and
- Improving the adequacy and equity of transport concessions for people with low incomes.

# 3. AFFORDABLE HOUSING

For many low-income individuals and families, housing is the single largest expense in their budget. Any increase in the relative cost of housing can have serious financial consequences, and in some situations, result in periods of homelessness. Recent research by the Australian Housing and Urban Research Institute shows a growing number of people who are unable to afford private rental or home purchase and who face long waiting lists for public housing.

The State Government should increase the quantity of affordable and appropriate housing by:

- Increasing investment in public and community housing stock;
- Piloting ways of encouraging greater private investment in affordable housing;
- Diversifying the range of accommodation types, sizes and locations available to people on low incomes.

Along with these key policy recommendations we believe that the State Government must prioritise services to and funding for Indigenous Australians and newly arrived refugees, two groups who face the greatest disadvantage in our community. The needs of these groups should receive attention across all departments. In particular we believe Victoria could play a key role in progressing the issue of a Treaty with its indigenous citizens.

I am grateful for the chance to share our views at this time. I would also be pleased to invite you to meet with the Executive Team of the Brotherhood during the Budget process.

I look forward to seeing the results of your deliberations.

Yours sincerely



### STATE BUDGET 2002-2003 SUBMISSION

Poverty and inequality are the biggest challenges facing Australian society. Our society is clearly divided into two groups—one that has benefited from the economic growth of the past decade and is well resourced, both economically and socially; and another in which poverty, disadvantage, and limited opportunity are commonplace.

The Brotherhood of St Laurence has extensive experience in working with people on low incomes. Current services include employment services (such as Job Matching and Intensive Assistance) and support programs targeting disadvantaged young people (Jobs Placement Employment and Training) and those with substantial barriers to entering the workforce (Community Support Program); residential and community aged care services particularly targeting people on low incomes; family support services, public housing advocacy, low-income credit schemes, and settlement services for newly arrived refugees. The Brotherhood is also well known for its research documenting the experiences of people on low incomes, investigating community needs and exploring the impact of government policies and services.

Our research and service experience of the diverse lives of people on low incomes indicates recurring themes of the struggle to meet essential costs of living, stress in family relationships and social isolation. People living on low incomes have difficulties in meeting basic costs associated with food, accommodation, clothing, education, health care, utilities, transport and recreation. Trying to balance the competing demands for expenditure is known to place considerable stress on families and individuals, and on personal relationships. Limited income is also known to increase the likelihood that a person, or family, will become socially isolated. A low income restricts recreation options; due to the cost of the entertainment itself and to associated transport costs.

The State Government is in a strong position to improve the lives of people on low incomes. All existing programs and expenditures, as well as new proposals, need to be assessed to ensure, at the very least, they do not, add to existing inequalities. Ideally, new State Government expenditures will be structured to remove some of the hardships and exclusions currently experienced by low-income people, and will contribute to the development of more inclusive and cohesive communities.

The Brotherhood of St Laurence has a vision of an Australia free of poverty. To achieve this for Victoria we believe the State Government must do more to reduce the inequality and disadvantage currently experienced by many families and communities. Greater effort must be made to create jobs and to increase the supply of affordable, secure, well-located and appropriate housing. There is also a role for the State Government to lessen the impact of the costs of goods and services on the disposable incomes of low-income people. Concessions and the waiver or reduction of fees are effective tools to ensure that people on low incomes are able to afford and therefore access services.

It is of great concern to the Brotherhood of St Laurence that in 2001 the well-being of Indigenous people falls far behind that of the wider community. The issues faced by these communities are many, varied and complex. The Brotherhood believes that the needs of indigenous people should receive careful attention across all departments. In particular the Victorian Government could play a key role in working towards a treaty with Indigenous citizens: Australians for Native Title and Reconciliation (ANTaR) and the Brotherhood have prepared a proposal for consultation and network development concerning a treaty concept that would benefit the state. Similarly, the position of newly arrived refugees is often one of isolation and poverty, and we believe that all government services have an obligation to ensure that they are reaching this group, if necessary through specific programs or funding.

#### EMPLOYMENT

Employment, particularly long-term unemployment, is the most significant cause of poverty and disadvantage in our community. The Brotherhood of St Laurence is concerned that, despite a falling unemployment rate over recent years, long-term unemployment remains very high, the unemployment rate of younger people (at 23.0 per cent) is much higher than that of the rest of the community, and some regions have disproportionately high rates of unemployment. The unemployment rate for Victoria recently jumped to 7.0 per cent (in October 2001), suggesting that we face a period of rising joblessness and associated hardship and disadvantage.

National policies play a key role in jobs growth, but there is much that can be done by individual states. The State Government has a significant role to play in encouraging jobs growth through increased regional development initiatives and in increasing publicly financed employment, particularly in the provision of services. This requires a whole of government approach to employment growth, linking programs and strategies across departments.

An active regional policy is critical to addressing the unacceptable regional inequalities that exist across the state. The Regional Infrastructure Development Fund is a positive initiative towards improving regional infrastructure. Most of the successful grants to date have been made to local government bodies. However the impact of this program in attracting greater private investment and increasing employment remains unclear. The program could be improved by giving job creation the highest priority in assessment criteria for projects, and by being combined with a strategic approach to job creation as discussed below. The government should also investigate other regional development approaches such as targeted tax concessions for Enterprise Zones as suggested by a study from the National Institute for Economic Research (2001) or a requirement for superannuation funds to invest part of their funds in regional projects.

Many communities in Victoria are under-resourced in areas of health, education and environmental services. There is the potential to create entry-level employment opportunities, particularly for young people, within these communities. Specifically, there exist opportunities for jobs creation in the care of aged people and people with disabilities, in the assistance of students experiencing learning difficulties and in environmental management programs. Social entrepreneurs have a key role to play in bringing together government, business and community to take up this challenge.

The Community Jobs Program is a valuable initiative which provides integrated paid work experience and training for disadvantaged job seekers. It is limited by the maximum of 16 weeks' paid work experience, and by a lack of funding for project infrastructure costs which means that disadvantaged communities struggle to raise enough funding and in-kind support to make effective use of the CJP. The CJP could be far more effective if work placements were funded for a longer period of 26 to 52 weeks, and if some administrative costs were covered, perhaps targeted to disadvantaged employment areas as part of a regional development strategy.

### **Recommendations**

That the State government develop a whole of government strategy to tackle youth and regional unemployment which includes:

• A greater emphasis on employment in the Regional Infrastructure Development Fund (RIDF);

- Increased government spending on jobs in community aged care, health and community services, education and environmental management;
- Development of avenues of support for social entrepreneurs and social enterprise as a part of a jobs creation strategy;
- Incorporation of administrative funding in the Community Jobs Program, targeted to disadvantaged regions (e.g. by linking it with RIDF);
- An increase in the period of funding for the Community Jobs Program to between 6 and 12 months;
- Increase in public sector traineeships and entry level jobs;
- Greater integration of policy and programs to overcome the fragmentation of the employment, education and training systems at all levels of government, supported by the planning of an employment summit.(see also Education pages 12-13)

## COST OF SERVICES AND THE ROLE OF STATE CONCESSIONS

The State Government has responsibility for the provision or regulation of a wide range of goods and services: this enables it to impact significantly on the disposable incomes of low-income people. The cost of these goods and services should be structured in such a way that they neither prevent access by low-income people nor compromise their living standards. The use of concessions enables precise targeting to individuals in need, without undermining the pricing structure of the commodity.

Currently, individual programs and departments determine fees or charges for services with little or no reference to each other, or to the overall effect on clients. Because fees are now charged for a wide variety of services, the cumulative impact on people on low incomes can be considerable, even though the individual charges may not appear very large. A whole of government approach is required to examine the distributional impact of all State Government fees and taxes. However, the Government needs to act immediately on some areas—notably education, utilities, transport and some health care services—to improve the lives of low-income Victorians.

There are also short-term economic benefits from reducing government charges. With Australia facing an economic slowdown over the next 12 to 18 months, the abolition or reduction of charges for a range of State government services would provide people on low incomes with higher disposable incomes, which they would almost certainly spend immediately on urgent needs, including housing, clothing, food, and other consumer goods. This stimulus to the economy (more effective than concessions to high-income earners who are more likely to save their additional income) would help to moderate the possible impact of slowdown in the world and Australian economies.

### • Education Maintenance Allowance

The Education Maintenance Allowance (EMA) was introduced to help low-income families meet the costs associated with schooling. Over time, however, its real value has been significantly eroded, to the point where its impact has been greatly diminished. The administrative change in 1997 that resulted in half the allowance being paid directly to schools is also of concern. This change may be seen to imply that parents/guardians cannot be trusted to allocate the funds to their children's education, and has the additional weakness that how a school uses the funds is not necessarily apparent.

The Brotherhood of St Laurence believes that the EMA should be adjusted to take account of cost increases since1990 (when the EMA was last increased), which would mean that the rate for primary school students should be around \$257 p.a., and for secondary students around \$515 p.a. The EMA should also be indexed yearly to reflect changes in the cost of education. It is also important that the whole amount be paid directly to eligible parents/guardians. In addition, there is a need to review the costs of schooling to ensure that they do not act as a barrier to the participation and achievement of children from low-income families.

### • Cost of preschool education

Some children do not attend preschool because of the difficulty their family has in paying fees. While numbers may be relatively small, it is important to ensure that no child misses out because a family is unable to pay, or reluctant to ask for fees to be waived. Traditionally these families have been sole-parent families or two-parent families with no parent in employment. A new group, the working poor, is also likely to be having increased difficulty in paying

preschool fees. The State Government has a role to improve safeguards to ensure that no children are excluded from preschool because of cost.

### • Water rates and sewerage concessions

Changes to water and sewerage pricing in 1997-98 have had the effect of reducing the costs for owners of expensive properties and increasing them for owners of lower-valued properties. However the most significant impact of the introduction of 'user pays' has been to increase water charges for tenants. Many individuals and families on low incomes have been seriously affected by this change. To offset this, the Brotherhood of St Laurence urges that the water and sewerage concession caps be increased.

# • Electricity concessions

Electricity prices are forecast to rise substantially, as the state enters the last phase of power privatisation. Under the new arrangements, in place from January 2002, Victorian households will be able to choose their supplier of electricity and to negotiate the best deal for themselves. It is likely that prices will be set based upon consumption, with higher electricity users being offered lower tariffs. Low-income households are more likely to be lower energy consumers, and will be least able to negotiate reduced tariffs, and will be left on safety-net prices. Electricity retailers have asked for these safety-net prices to be set at levels substantially higher than current prices, which would result in large power bill increases to those on low incomes.

The Brotherhood of St Laurence believes that the government must act immediately to safeguard the interests of low-income households. This must include an obligation on electricity retailers to supply vulnerable customers after 2003. The adequacy of the Winter Energy Concession needs to be reviewed, but consideration must also be given to extending a concession to the 'working poor'. In conjunction with this, there is a role for the government to develop energy conservation strategies that target low-income households and existing public housing stock.

### Transport costs

Many low-income individuals and families rely heavily on public transport. The State Government should give priority to improvements in the adequacy and equity of existing concessions for people on low incomes. It must also commit to the upgrade and expansion of the public transport system, particularly in outer suburban, regional and rural areas.

### • Cost of health services

The introduction of fees for health services, particularly for those provided in community health centres and in public dental services, has had a negative impact on people with low-incomes.

Research by both the Brotherhood of St Laurence and the Victorian Healthcare Association has concluded that the current fees policy in community health centres is flawed. The introduction of fees has reduced usage of important services such as podiatry and physiotherapy by people on low incomes, resulting in people living with increased pain and reduced mobility. Unfortunately, a delay in treatment can result in more serious health consequences. People on low incomes who are in need of these services often have to 'go without' to be able to pay for a health service. The provision of fee reductions or exemptions fails to address adequately the needs of people on low incomes. Some people are unaware of the waiver option, some would never ask for it as a matter of pride, and some prefer to negotiate a reduction in fees only, due to a sense of obligation. This situation is unsatisfactory. As a social justice priority, the Brotherhood of St Laurence calls upon the State Government to cancel fees for services for Health Care Card holders in community health centres, and to compensate for this loss of revenue by increased direct funding.

The inadequacy of funding for public dental health services, in combination with the fees charged, means that access to these services is severely compromised for those on low incomes. Victoria spends less per head of population on public dental health than other states, and there is a strong case for increasing this amount at least to the national average. In addition, fees for low-income patients should be abolished, or at least removed from checkups, to encourage people to receive regular preventive treatment.

#### **Recommendations:**

- That the government increase the Education Maintenance Allowance for primary school students to \$257 p.a., and for secondary students to \$515 p.a., and pay the entire amount directly to the parent/guardian.
- That the government undertake a review of the real costs of education and implement strategies to ensure that these costs are not a barrier to the participation and achievement of children from low-income families. The costs of preschool education for children from low-income families must also be considered.
- That the government provide for a legal obligation to supply electricity at a fair and reasonable price in amendments to the Electricity Industry Act 2000.
- That the government develop an alternative to the proposed safety net in order to protect vulnerable consumers from excessive price rises following the introduction of the final stage of electricity privatisation.
- That the government introduce an energy concession for the 'working poor' to offset price increases expected as a result of the privatisation of electricity supply.
- That the government introduce improvements to the adequacy and equity of existing transport concessions for people with low incomes.
- That the government commit to ensuring the upgrade and expansion of the public transport system, particularly in outer suburban, regional and rural areas.
- That the government remove fees for services for Health Care Card holders in community health centres and public dental services, and compensate centres for this loss of revenue by increased direct funding.

#### AFFORDABLE HOUSING

For many low-income individuals and families, housing is the single largest expense in their budget. This is particularly the case for those who are in the private housing market in Melbourne, and it is this group who are more likely to be living in poverty. Any increases in the cost of housing can have serious financial consequences, and in some situations, result in periods of homelessness. Recent research by the Australian Housing and Urban Research Institute shows a growing number of people who are unable to afford private rental or home purchase and who face long waiting lists for public housing. Access to public and community housing reduces the rate of poverty among low-income people and helps to reduce broader social and economic inequalities.

The Brotherhood of St Laurence acknowledges the inadequacy of the Federal Government's current contribution to public housing, and requests that the State Government, during forthcoming negotiations on the Commonwealth State Housing Agreement, make strong representation on behalf of people who need housing assistance. However the State Government, in its own right, has a critical role to play in developing affordable housing options. The allocation of funds in the 2000-01 and 2001-02 budgets to expand social and public housing was an important step, but it is only a beginning. Further work must be undertaken with community groups and local governments to facilitate social or community housing development, particularly in relation to the long-term sustainability of financial arrangements. In addition, the State Government should pilot ways of encouraging greater institutional and private investment in affordable housing. Obviously these initiatives would require an additional funding commitment from the State Government.

Within public housing there exists the potential for the State Government to broaden the available stock to ensure it meets the diverse living arrangements of individuals and families. At present it is difficult to find suitable accommodation on the one hand for large families, including extended families, and on the other, for people living alone. On a broader level, the State Government has a role to ensure that future development of affordable housing addresses the need for a range of accommodation types and sizes, and that such accommodation is available in areas where the demand is high and where appropriate support services and infrastructure exist.

Demand for affordable public housing greatly exceeds supply, resulting in tight rationing. A result of this tight rationing has been the increase in the numbers of people with high support needs living in public housing stock. Current support structures are inadequate to meet the needs of many of these people, with issues frequently escalating to crisis situations.

The State Government must provide sufficient community workers to support residents with high support needs who are living in both public and community housing, and appropriate support and access to services for public housing tenants in the outer suburbs of Melbourne. Finding more appropriate responses to rental arrears is a related urgent need.

#### **Recommendations**

That the State government improve the supply of affordable housing by:

- Increasing the public and community housing stock;
- Piloting ways of encouraging greater private investment in affordable housing;

- Diversifying the range of accommodation types, sizes and locations available to people on low incomes; and
- Increasing the support available to residents with high needs who are living in public and community housing, by increasing funding for HACC, disability and mental health services.

### **OTHER POLICY AREAS**

# EARLY CHILDHOOD SERVICES

Links between poverty and child health and development, school achievement and employment futures have been clearly established. Children in low-income families have more chronic illnesses than children in higher-income families, are more likely to have visual and hearing defects, dental problems, developmental delay and behavioural problems. Addressing these issues of disadvantage and inequality requires that appropriate access to universal early childhood services is available for all children, and that there are also specialist support services for those children who need them.

Universal access is the cornerstone of a quality early childhood services system. Unfortunately, in Victoria this is not yet a reality. The primary cause for this appears to be related to the fragmentation of the system, which must be addressed by more comprehensive planning and integration of services. The cost of services for low-income families is also an issue, and is addressed in the section on Costs of Services and the Role of State Concessions (see pages 5-7).

The universal early childhood system must be well integrated with specialist services so as to ensure appropriate support is provided to children with additional needs and their families. Unfortunately, accessing specialist early childhood services remains a problem for many families. There exists a multiplicity of service providers and programs, which are often poorly integrated and co-ordinated. Negotiating the complex array of services can be too difficult or alienating for some disadvantaged families and children, resulting in their missing out on services that would be beneficial. These difficulties are compounded by the long waiting lists for children seeking both Early Intervention and Early Choices programs. Getting past the waiting list is not a guarantee that needs will be met; often the level of service provided is grossly inadequate.

Current levels of support available for four-year-old children with additional needs to attend preschool is inadequate and is resulting in some children with special needs missing out or not receiving the full benefits of the preschool year. The inadequacy of current support is highlighted by comparing it with the support available for children with disabilities attending childcare. At a minimum, support for children with disabilities attending preschool must be increased to the level they could receive if attending childcare. Also of concern are the rigid eligibility criteria. A high priority is more flexible criteria that would enable support to be provided for children who have emotional or significant behavioural issues, which often make it difficult for them to participate in the preschool environment.

Timely access to family support services at the right time is critical to the well-being of some disadvantaged families. Current waiting lists are unacceptable, and delays in service provision, or inadequate levels of assistance, may precipitate the need for tertiary child protection services. Expanding the range and availability of respite care to provide a break for parents who have few or no other supports could help to reduce the number of notifications to child protection services.

### **Recommendations**

That the government improve provision of early childhood services by

• Developing and implementing an integrated early years strategy that:

- fosters strong links between primary, secondary and tertiary services;
- improves linkages between universal services and targeted specialist services for all children and young people;
- reduces demand on tertiary services through prevention programs;
- ensures increased participation in children's services and preschool throughout the early years;
- increases participation in mainstream services by children with special needs;
- improves school readiness; and
- supports greater linkages between the community and government at both program and policy levels.
- Establishing a statewide Early Years Representative Advisory Committee to inform policy and assist with the development and implementation of an integrated early years strategy.
- Immediately providing additional resources to specific programs assisting children with disabilities or developmental delay and their families, which include access to:
  - a full year of preschool in an inclusive setting, by broadening eligibility criteria (especially to include children with emotional or significant behavioural issues) and increasing funding to the Additional Assistance program;
  - an appropriate level of high quality therapy and family support, through nongovernment Early Intervention (EI) agencies and government run Specialist Children's Services (SCS);
  - additional assistance with case management and brokerage support for children with high support needs, through the Early Choices Program;
  - free counselling support for parents; and
  - timely and quality assessment services.
- Enhancing Family Support services by providing support to families in the prenotification phase.
- Expanding the range of respite care options for children (including occasional child care, family day care, overnight care and weekend respite foster care) to provide parental breaks where extended family and other supports are insufficient.

### **EDUCATION**

Access, adequacy, affordability and equity are principles that need to underpin a state education system to ensure equality in opportunity and outcomes. The State Government is clearly responsible for ensuring children receive a relevant education, but it goes further than that. Schools have a critical role to play in the overall development of children and young people, including their connectedness to school and community. Strong, prosperous communities are dependent on the well-being of children and young people.

At present, there is inadequate funding for schools to support children with disabilities that are not considered severe or profound. Many children with learning difficulties or significant emotional or behavioural issues fall into this category, and therefore do not receive an adequate level of assistance. The difficulties some of these children experience threaten their educational outcomes and their participation in school and the wider community.

The State Government has a responsibility to ensure that children attending state schools in relatively disadvantaged areas do not experience disadvantage in educational opportunities. Additional funding must be provided to better address issues of inequity, and not just to the schools that provide for mainly disadvantaged families. Other schools, although not in the category of extreme disadvantage, are clearly more disadvantaged than Victoria's well resourced and elite state schools. A significant number of families attending these relatively disadvantaged schools have difficulty in making voluntary contributions, and school activities (such as excursions and specialist curriculum) may be limited as a result. The inadequacies of the Education Maintenance Allowance in assisting families with the costs of schooling are addressed in the section on Costs of Services and the Role of State Concessions.

Education has long been recognised as providing the pathway to employment and social participation. The State Government must provide a diverse curriculum that responds to the needs and aspirations of all children and young people, including those whose educational pathway does not include higher education. This is particularly important if the government is to address the declining retention rates in metropolitan areas of low socio-economic status and in some regional areas. Early school leaving is known to place young people at risk of ongoing labour market disadvantage. Unfortunately, despite a decade of economic growth in Australia, youth unemployment remains disproportionately high, with significant numbers of young people failing to make the transition from education and training into full-time employment. Young people with multiple barriers to employment are particularly at risk of becoming permanently disengaged and marginalised.

There are many points of fragmentation in the employment, education and training systems for. As a result, especially for young people at risk, pathways may be invisible, disjointed and fractured. Programs may not be appropriate, accessible or available at points in young people's lives when they need them most. Cross-sectoral integration between schools, ACE/TAFE and the employment services sector is needed Increased co-operation between governments, departments, and between providers is critical, as is ensuring that any new initiatives are integrated within the program environment, cross-sectorally linked and connected to the needs of local areas.

#### **Recommendations**

• That the Government provide adequate support for children with disabilities and significant emotional or behavioural issues by:

- retaining the current program of funding available to support children with significant disabilities within the education system;
- significantly increasing the funding available to support children with disabilities not considered severe or profound (including children with learning difficulties or significant emotional or behavioural issues); and
- reviewing how this category of funding is distributed between schools.
- That the Government, in committing to providing pathways to employment for all young people, develop a strategy to address the fragmentation in the employment, education and training systems for young people at risk. In particular, this should tackle:
  - differing age and eligibility restrictions of programs;
  - the program limitations in the employment services sector;
  - the lack of an appropriate gateway to the service system;
  - the lack of guidance and support to assist young people to negotiate the system; and
  - professional development for teachers to develop skills and knowledge about the employment sector.

### **COMMUNITY CARE**

Community care services are a vital support for older people and people with disabilities who need assistance to remain independent in their homes. Unfortunately the funding that is currently available to provide this care is inadequate. The consequences of inadequate funding include a poorer quality of life for those needing support, a negative impact on family carers and increased pressure on the more costly components of the system (residential and acute care).

Funding for community care services is predominantly provided by the Federal and State Governments. Some local governments also make some contribution. Over many years the system has developed to a point where it is complex, suffers from a lack of co-ordination and is marred by inflexible program rules and boundaries. The system needs reform to ensure access to high quality services for those who need them, and to streamline program and funding arrangements for providers. It is essential that the system becomes easier for consumers and families to negotiate.

Reform of the community care system is only possible through co-operation between the Federal and State Governments. Issues that need to be addressed include: clarifying the roles, functions and focus of the various programs; streamlining the funding and administration arrangements; simplifying provider and reporting arrangements; and importantly, developing common standards across the various program types to enable consumers to monitor the quality of the services they receive.

#### **Recommendations**

That the State government improve access to quality community care for older people, people with disabilities and carers by

- Increasing HACC funding; and
- Negotiating with the Federal and other State Governments to develop consistent service standards for community and respite care between funding programs (e.g. HACC Linkages program, Community Aged Care Packages program, respite care programs).