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Australian Community Sector Survey

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Executive Summary

The *Australian Community Sector Survey 2008 Report* (ACSS) presents the findings of the 2008 Australian Community Sector Survey. The report provides information on service use, income, expenditure and workforce issues for the community services and welfare sector.

The ACSS is the only annual survey which covers the non-profit community services and welfare sector, which is a major provider of the community services that most of us rely on at some point in our lives, but which are particularly important to people on low incomes.

The ACSS 2008 was completed by 725 agencies which provided information about their activities over the financial years 2005-06 and 2006-07. Respondents to the ACSS were drawn from the membership of the State and Territory Councils of Social Service and the Australian Council of Social Service (ACOSS). Collectively these organisations provided the following services:

- health services
- residential aged care
- disability services
- home and community care
- child care
- child welfare
- family relationship services
- financial and material support
- employment/training services
- housing and homelessness services
- supported accommodation for people with a disability
- legal services
- individual and family relationship counselling
- information, advice and referral services
- individual advocacy
- youth services
- sexual assault/domestic violence services.

Key findings

Demand for services

In 2006-07 respondent agencies provided services to 1,925,984 people, which is an increase of 6.3% on the 1,811,838 people who received a service from these agencies in 2005-06.

In 2006-07 respondent agencies turned away 77,083 people who were eligible for a service which is a 24% increase on the 62,164 people who were turned away in 2005-06.

Of the people turned away in 2006-07, it is estimated that:

- 17% were not eligible for the service or needed a different service
- 40% were eligible for the service and the service provided the person with only basic information and assistance
- 43% were eligible for the service but were turned away from the service without assistance.

This shows that while some people are turned away because they are ineligible for the service, the majority (83%) are turned away because services are not able to assist all eligible people and access has to be rationed in some way.

When the number of eligible people turned away is compared to the number of people actually assisted, the average turn-away rate is 4% or one person in every 25 people. However, this overall average masks significant variation by service type, with housing services again experiencing particular problems.

The majority of agencies reported tighter targeting of their services than in the past. Fifty per cent of respondents agreed that their organisation was targeting services more tightly than in the past and another 24% were neutral on the question (suggesting neither an increase nor decrease in rationing).

Ninety per cent of respondents reported that their waiting lists were the same or had worsened between 2005-06 and 2006-07.

Fifty-eight per cent of respondents disagreed with the statement that other community agencies had referred fewer clients to their organisation in 2006-07 than in 2005-06. Only 12% of respondents agreed with the statement.

Long term housing and health services (including mental health and drug and alcohol services) were clearly identified as the services and supports most needed by the clients of community service and welfare agencies. These were followed by crisis and supported accommodation and income support.

While it is useful to see where priorities lie in terms of need for individual types of service, many agencies report that it is the complexity of client needs that is the real problem. Sixty-four per cent of respondents agreed that their clients in 2006-07 had more complex needs than in 2005-06. A further 25% neither agreed nor disagreed and only 11% disagreed.

The survey confirms the particular importance of community and welfare services to low income and disadvantaged groups. In particular, it finds that Indigenous people are nearly fourteen times more likely to use community services than their representation in the general community would suggest.

Delivery

Workforce

There was an overall increase of 788 Full Time Equivalent (FTE) employees working in respondent organisations during 2006-07. This represents an increase of 5.2% on the total number of paid staff. Given the 6.3% increase in the number of clients between 2005-06 and 2006-07, it is clear that while staff numbers have risen, the number of people assisted has increased at a greater rate and thus work intensity has increased.

Reflecting this, 68% of agencies agreed that the unfunded work by staff and volunteers had increased between 2005-06 and 2006-07. Sixty-four per cent indicated that they had experienced difficulty attracting appropriately qualified staff.

In 2006-07, respondent agencies employed 15,145 FTE staff and lost 2,914 full time equivalent staff. Average staff turnover across respondent agencies is therefore equivalent to 19.2% which is marginally higher than the all Australian industry average of 18.5%.[1]

Income and expenditure

Matching resources to demand remains the fundamental challenge facing sector organisations. Of the 682 respondents who answered a question about the three most important issues facing their organisation, 52% mentioned inadequate funding or insufficient resources as a major issue facing their service.

Agencies have secured a 7% increase in overall income between 2005-06 and 2006-07 with a 14% increase in Commonwealth Government funding and a 7% increase in State/Territory Government funding.

Other sector capacity issues

Respondents were asked a number of questions relating to aspects of sector capacity including:

- the adequacy of funding levels and the effect of government contractual requirements, including in relation to advocacy activities;
- their tax status;
- access to insurance; and
- access to information and communications technology.

[1] Australian Human Resources Institute, AHRI HR Pulse: ‘Love ‘em don’t lose ‘em’ – Identifying retention strategies that work, 2008 accessed on 24 April 2008 at http://www.ahri.com.au/MMSdocuments/profdevelopment/research/research_papers/0803_pulse_vol2_no1_love_em_don't_lose_em_web.pdf.

Eighty-two per cent of respondents reported that Government funding was not adequate to meet the true cost of delivering services.

A clear majority of respondents (74%) reported that their organisation was able to speak publicly about the issues facing clients.

In response to a question about tax status, 43% of respondents indicated that they had Public Benevolent Institution (PBI) or Deductible Gift Recipient (DGR) status or both, 47% reported that they had Income Tax Exempt Charity (ITEC) status only and only 10% reported that they were neither PBI, DGR or ITEC.

Methodology

This survey examines changes in the operating environment of community services and welfare organisations between 2005-06 and 2006-07, as well as gathering information about the size and type of services in the community services and welfare sector. Specific questions have been included in this year's survey relating to the tax status of organisations, service supports, government contracting, and information and communications technology services and supports.

As with previous years, a variation of Dillman's method was used to distribute and collect the surveys.[2] This involved mailing out a cover letter which referred organisations to a website where the survey could be completed; some organisations also received a hard-copy of the survey. One week later mailed and emailed reminders were sent out thanking those people who had already returned the survey and reminding those who were yet to complete the survey of the importance of doing so. The reminder letter again encouraged organisations to complete the survey online. Follow up phone calls were made by the State and Territory Councils of Social Service to those organisations whose surveys had not been received by the official date for return.

The ACSS 2008 was completed by 725 agencies who provided information about their activities over the financial years 2005-06 and 2006-07. The year on year comparisons in this report refer only to the information collected from this survey. No comparisons are made between this and previous surveys.[3]

Table 1.1: Survey returns by State/Territory

State/Territory	Number of responses	Percentage of total
NSW	221	30%
QLD	156	22%
WA	83	11%
ACT	73	10%
VIC	62	9%
SA	65	9%
TAS	34	5%
NT	31	4%
Total	**725**	**100%**

[2] Dillman, D. (1978), '*Mail and Telephone Surveys: The Total Design Method*', Wiley, New York
[3] Respondents to the survey vary from year to year which makes direct comparisons with previous surveys of this kind misleading.

The survey population

To place the ACSS in the context of other quantitative information which is available on parts of the sector, we compare the services and organisations covered by the ACSS with those covered by *Community Services Australia,*[4] and *Australia's Welfare 2007*.[5]

The ACSS 2008 was completed by 725 agencies who provided information about their activities over the past two financial years, 2005-06 and 2006-07. Respondents to the ACSS were drawn from the membership of the State and Territory Councils of Social Service and ACOSS. Collectively these organisations provided the following services:

- health services
- residential aged care
- disability services
- home and community care
- child care
- child welfare
- family relationship services
- financial and material support
- employment/ training services
- housing and homelessness services
- supported accommodation for people with a disability
- legal services
- individual and family relationship counselling
- information, advice and referral services
- individual advocacy
- youth services
- sexual assault/ domestic violence services.

The respondents to the ACSS cover a wider field of services than those categorised under the Australian Institute of Health and Welfare National Classification of Community Services, as the ACSS includes employment, housing and health services as well as the traditional community services such as aged care and child care.

The ACSS is also wider in scope than *Community Services Australia*. *Community Services Australia* covers only employing businesses and organisations that provide community services as defined by the Australian and New Zealand Standard Industrial Classification, which encompasses:

- nursing homes
- child care
- accommodation for the aged
- residential care services
- non-residential care services
- employment placement services
- interest groups involved in community service advocacy

[4] Australian Bureau of Statistics (ABS) (2001), *Community Services Australia*, ABS Catalogue No. 8696.0
[5] Australian Institute of Health and Welfare, *Australia's Welfare 2007*, Canberra, 2007

- government administration responsible for funding community services or directly involved in the provision of community services.

However, the ACSS is narrower than *Community Services Australia* in so far as the ACSS does not include 'for-profit' businesses.

Size and scope of sector

Although it is not possible to compare the results of the ACSS 2008 with other surveys because the surveyed populations and time frames are different, some information from *Community Services Australia* and *Australia's Welfare 2007* is provided here as context for the results of the ACSS.

Size of Sector

The ABS has estimated that at the end of June 2000 there were 9,287 employing businesses and organisations involved in the provision of community services. The 9,287 businesses and organisations comprised 2,800 'for-profit' organisations, 5,938 'not-for-profit' organisations and 548 Government organisations. While the number of Government organisations has remained virtually the same since June 1996, the number of 'for-profit' and 'not-for-profit' organisations has increased by 32% and 10% respectively.[6]

Expenditure

The Australian Institute of Health and Welfare (AIHW) estimates that expenditure by Non-Government Community Service Organisations (NGCSOs) in 2005-06 was $20 billion, with the government share of funding accounting for 62%, client sources accounting for 25% and NGCSOs' own source funding accounting for 13%. [7]

Workforce

In 2006 there were approximately 268,400 people employed (220,800 FTE) in community services industries in Australia, representing 2.6% of all employed persons across all industries.[8] This translates to 1,403 FTE community service workers per 100,000 population in Australia.[9]

The number of persons employed in community services industries increased by 16% between 2001 and 2006. This compares with a 12% increase across all industries.[10]

Employees in community services were predominantly female (87%).

[6] ABS (2001), p.5
[7] AIHW (2007*) Australia's Welfare 2007*, p 324.
[8] Ibid at p 331.
[9] Ibid at 333.
[10] Ibid at p 333.

Survey results

Demand

Service coverage

In terms of geographic coverage, 28% of respondent agencies provided services primarily across a State or Territory and 14% in a regional centre, while only 2% provided services across the nation. [11] Among the other geographic categories:

- 13% provided services primarily in an inner metropolitan area
- 13% provided services primarily across a region
- 5% provided services primarily in a remote area.

Service users

As Table 1.2 shows, specific groups within the Australian population are over-represented as users of community and welfare services.

Most significantly:

- Indigenous people are 14 times more likely to use community and welfare services than their representation in the general community would suggest.
- People who are jobless are nearly twice as likely to use community and welfare services than their representation in the general community would suggest.
- People with a disability are 1.6 times more likely to use community and welfare services than their representation in the general community would suggest.
- Women are 1.3 times more likely to use community and welfare services than their representation in the general community would suggest.

This accords with the fact that community and welfare services are particularly important to low income and disadvantaged groups within the community.

Levels of disadvantage are known to be much higher among Indigenous communities and in jobless households. Women are much more likely to be the primary carers of children in single parent households (and at a high risk of poverty) and also more likely to approach community and welfare agencies in times of family need than couple parent families.

[11] Number of respondents to this question (N) = 709.

Table 1.2: Service users

N=725

Population Group	Percentage of service users	Percentage of general community
People with a disability	32%	20%[12]
Indigenous	32%	2.3%[13]
Jobless	59%	37.4%[14]
Culturally and linguistically diverse	20%	21%[15]
Women	63%	50%[16]
People under 18 years of age	23%	23%[17]
19-64 years	55%	64%
65+ years	22%	13%

[12] ABS, *Disability, Ageing and Carers, Australia*, Cat. No. 4430.0, 2003, p.3

[13] ABS, 2006 Census *QuickStats*, accessed at http://www.censusdata.abs.gov.au on 22 April 2008.

[14] This figure is derived from ABS, *Labour Force,* March 2008.

[15] This is a reference to the proportion of people who speak a language other than English at home, derived from the ABS Census *Quick Stats 2006* accessed at http://www.censusdata.abs.gov.au on 22 April 2008.

[16] ABS, 2006 Census *QuickStats*, accessed at http://www.censusdata.abs.gov.au on 22 April 2008.

[17] This statistic and the age statistics that follow are taken or derived from Australian Bureau of Statistics (ABS) Australian Demographic Statistics, Sept 2007, http://www.abs.gov.au/ausstats/abs@.nsf/mf/3101.0, accessed 24 April 2008 and ABS, Population by Age and Sex, Australian States and Territories, cat no. 3201, June 2007, http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/3201.0Jun%202007?OpenDocument, accessed 24 April 2008.

Demand for services

In 2006-07 respondent agencies provided services to 1,925,984 people, which is an increase of 6.3% on the 1,811,838 people who received a service from these agencies in 2005-06.

In 2006-07 respondent agencies turned away 77,083 people who were eligible for the service which is a 24% increase on the 62,164 people who were turned away in 2005-06.

Of the total number of people turned away in 2006-07 it is estimated that:

- 17 % were not eligible for the service or needed a different service
- 40% were eligible for the service and the service provided the person with only basic information and assistance
- 43 % were eligible for the service but were turned away from the service without assistance.

This shows that while some people are turned away because they are ineligible for the service, the majority (83%) are turned away because services are not able to assist all eligible people.

Table 1.3 shows the percentage of eligible people turned away as a proportion of the number of people who received a service by service type in 2006-07. This provides a guide to the level of demand and unmet demand for specific services.

When the number of eligible people turned away is compared to the number of people actually assisted, the average turn-away rate is 4% or one person in every 25 people. However, this overall average masks significant variation by service type, with respondent housing services experiencing particular problems.

Table 1.3: Number of people assisted and not assisted by service type 2006-07

Service Type	Number of people assisted	Number of eligible people turned away	Eligible people turned away as % of people assisted
Residential aged care	7,252	972	13.4%[18]
Housing/homelessness service	77,416	10,186	13.2%
Family relationship service	98,182	10,293	10.5%
Legal service	43,126	4,213	9.8%
Child care / preschool	14,459	914	6.3%
Information, advice and referral	499,859	22,412	4.5%
Home and Community Care service	176,171	7,127	4.0%
Youth services	276,745	10,467	3.8%
Employment/training service	37,407	699	1.9%
Health Service	154,971	2,373	1.5%
Financial and material support	220,316	3,158	1.4%
Child welfare service	63,890	808	1.3%
Sexual assault/ domestic violence service	37,206	409	1.1%
Individual advocacy	31,269	325	1.0%
Disability service	162,482	741	0.5%
Other	25,233	1,985	7.9%
Total	**1,925,984**	**77,083**	**4%**

[18] This figure should be interpreted with caution as the number of residential aged care respondents to the survey was low.

Perceptions of demand

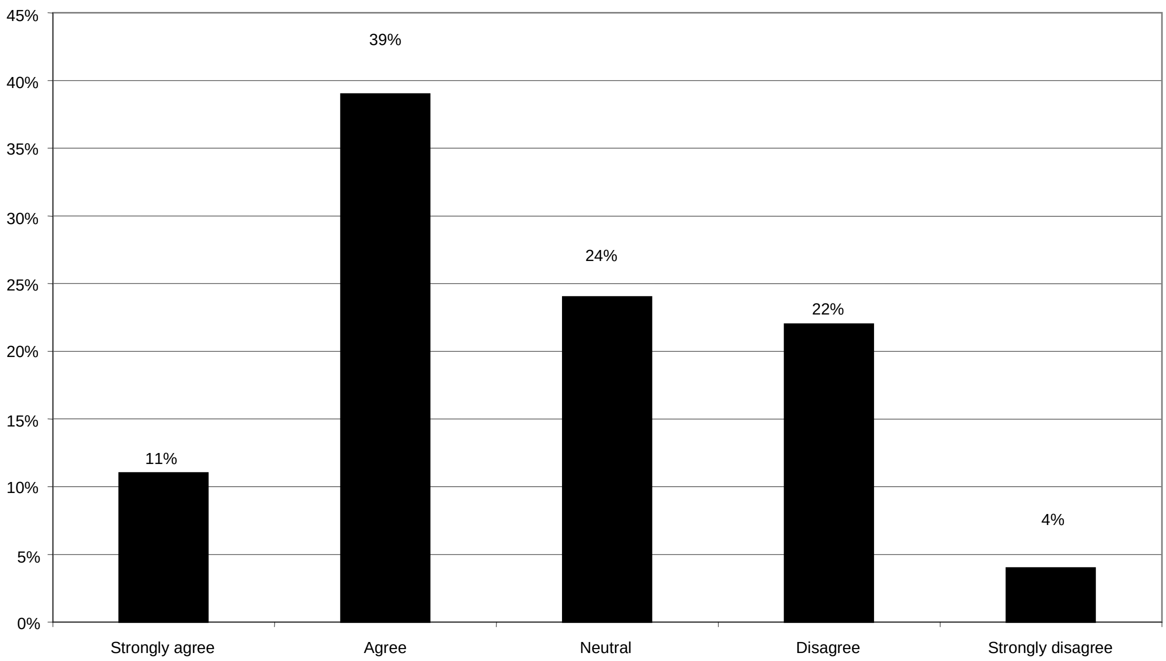
Agency responses to questions about the targeting of services, the use of waiting lists and the number of referrals into agencies from other agencies show that agencies perceive demand to be increasing (which is consistent with the increase in the number of people presenting at services).

Service targeting

Agencies use service targeting as a means of filtering those who qualify for their service and those who do not and prioritising their case load. The majority of agencies reported tighter targeting of their services than in the past, with 50% of respondents agreeing that their organisation was targeting services more tightly than in the past. Another 24% were neutral on the question (suggesting neither an increase nor decrease in rationing).

Figure 1.1: Targeting of services: proportion agree/disagree with statement: 'our organisation is targeting its services more tightly than in the past'

N=703

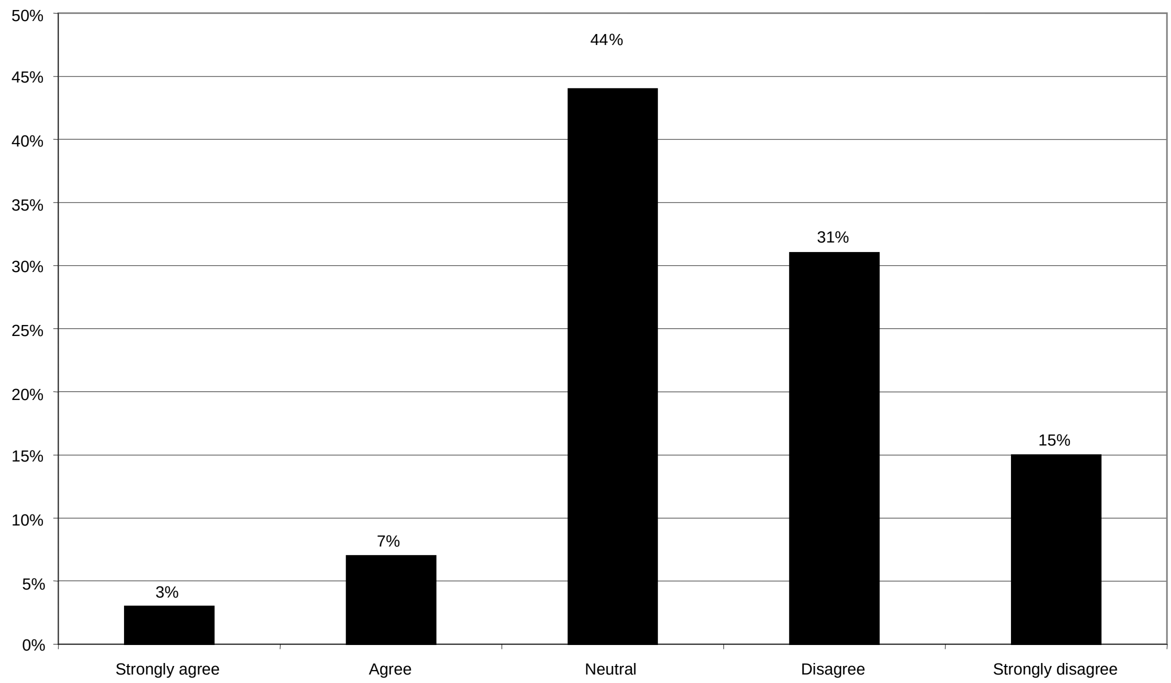


Waiting lists

Waiting lists are used by respondent agencies to ration their services. Waiting lists are an acceptable means of rationing where they sort more urgent cases from less urgent ones and where there are acceptable benchmarks governing the length of time people have to wait for a service. Many waiting lists do not have these features and it is concerning that waiting lists may be growing for a large minority of respondent agencies. Ninety per cent of respondents reported that their waiting lists were the same or had worsened between 2005-06 and 2006-07.

Figure 1.2: Use of waiting lists: proportion agree/disagree with statement: 'our waiting list was shorter this year than it was last year'

N=696

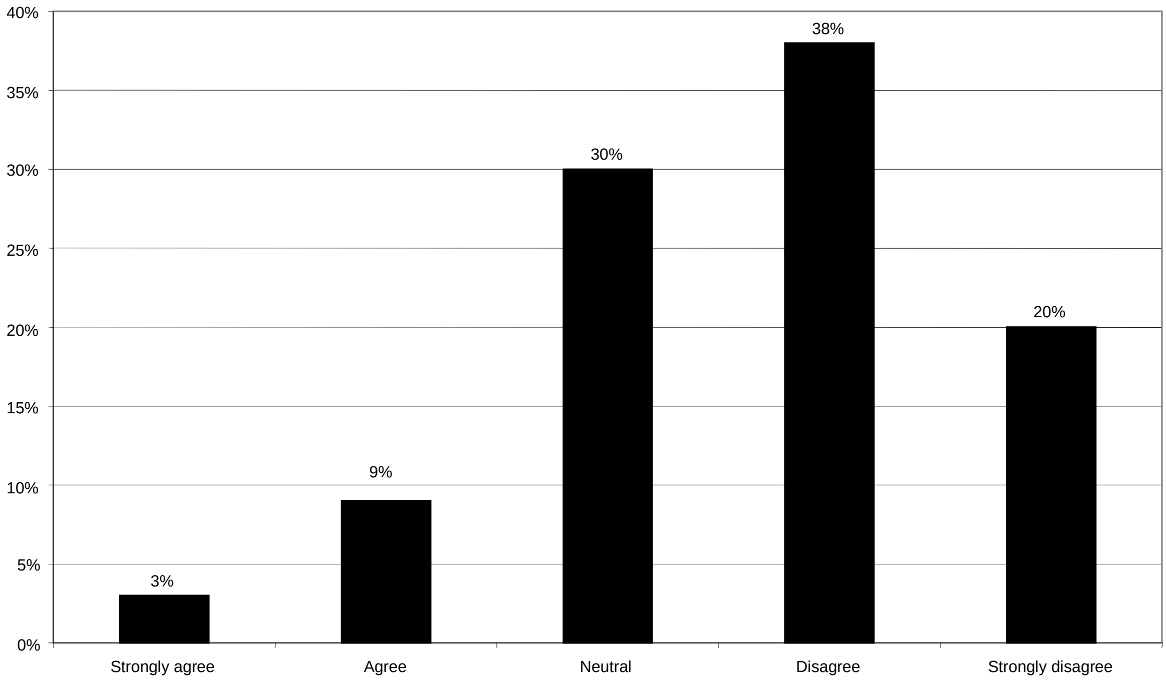


Referrals

Another indicator of demand is the number of referrals to agencies. Fifty-eight per cent of respondents disagreed with the statement that other community agencies had referred fewer clients to their organisation in 2006-07 than in 2005-06. Only 12% of respondents agreed with the statement.

Figure 1.3: Referrals into agency: proportion agree/disagree with statement: 'other agencies referred fewer clients to our organisation this year'

N=704



What services and supports are needed?

Agencies were asked to list, in priority order, the services and supports most needed by their clients (other than the services provided by their own agency). Long term housing and health services (including mental health and drug and alcohol services) were clearly identified as the services most needed by the clients of community service and welfare agencies. These were followed by crisis and supported accommodation and income support.

Table 1.4: Client need by service type 2006-07

N=725

Service type	**Rank**	**Score[19]**
Long term housing	1	100.0
Health care (including mental health and drug and alcohol services)	2	83.3
Crisis and supported accommodation	3	69.8
Income support	4	64.0
Aged and disability services	5	53.5
Transport	6	49.5
Employment, education and training programs	7	45.5
Family relationship services	8	31.6
Legal services	9	31.3
Cultural, arts, recreation, sport, information and social activities	10	21.8
Assistance with the cost of utilities (energy, water, telecommunications)	11	20.4
Domestic violence/sexual assault services	12	18.2
Child welfare services	12	18.2
Child care	14	12.4

[19] Derived by adding the number of times respondents marked a service type as the most important (1), second most important (2) and third most important (3) and weighting according to priority. The value is expressed on a scale of 1 to 100.

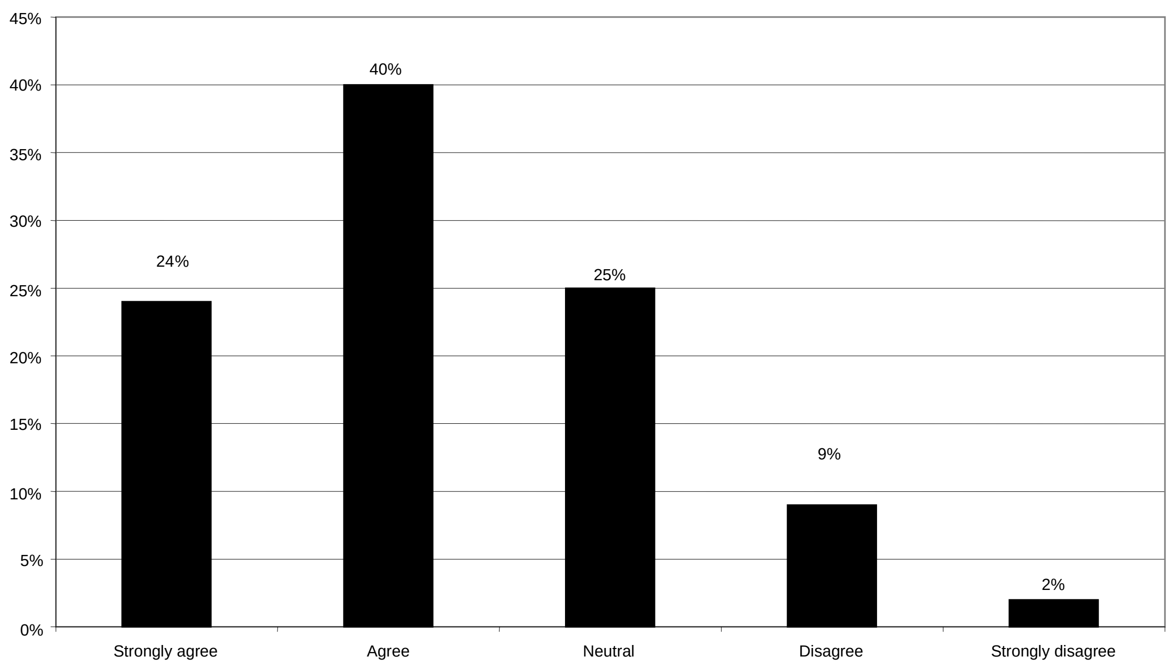
Complexity of client need

While it is useful to see where priorities lie in terms of individual types of service, many agencies report that it is the complexity of client needs that is the real problem.

Sixty-four per cent of respondents agreed that their clients in 2006-07 had more complex needs than in 2005-06. A further 25% neither agreed nor disagreed and 11% disagreed.

Figure 1.4: Complexity of client need: proportion agree/disagree with statement: 'our clients have more complex needs than last year'

N=700



Delivery

Character of the workforce

As Table 1.5 shows, respondent agencies utilise a large number of volunteers in service delivery roles. However, it should be noted that most volunteers are likely to be engaged on a part-time basis.

Table 1.5: Workforce by category

N=725

Work category	Number of people	%
Paid staff (full time equivalent)	15,145	34%
Voluntary board/management	3,212	7%
Voluntary service delivery	25,759	58%
Total	44,116	100%

Staff hiring and leaving

There was an overall increase of 788 FTE employees working in respondent organisations during 2006-07. This represents an increase of 5.2% on the total number of paid staff. When compared with the 6% increase in the number of clients between 2005-06 and 2006-07, it is clear that while staff numbers have risen the number of people assisted has increased at a greater rate, suggesting that staff are working under increased pressure.

Table 1.6: Staff hired and left 2006-07

N=725

Employee category	Hired (FTE)	Left (FTE)	Difference (FTE)
Management	314	264	50
Service worker	3,007	2,355	652
Clerical/administration	381	295	86
Total	**3,702**	**2,914**	**788**

Staff turnover

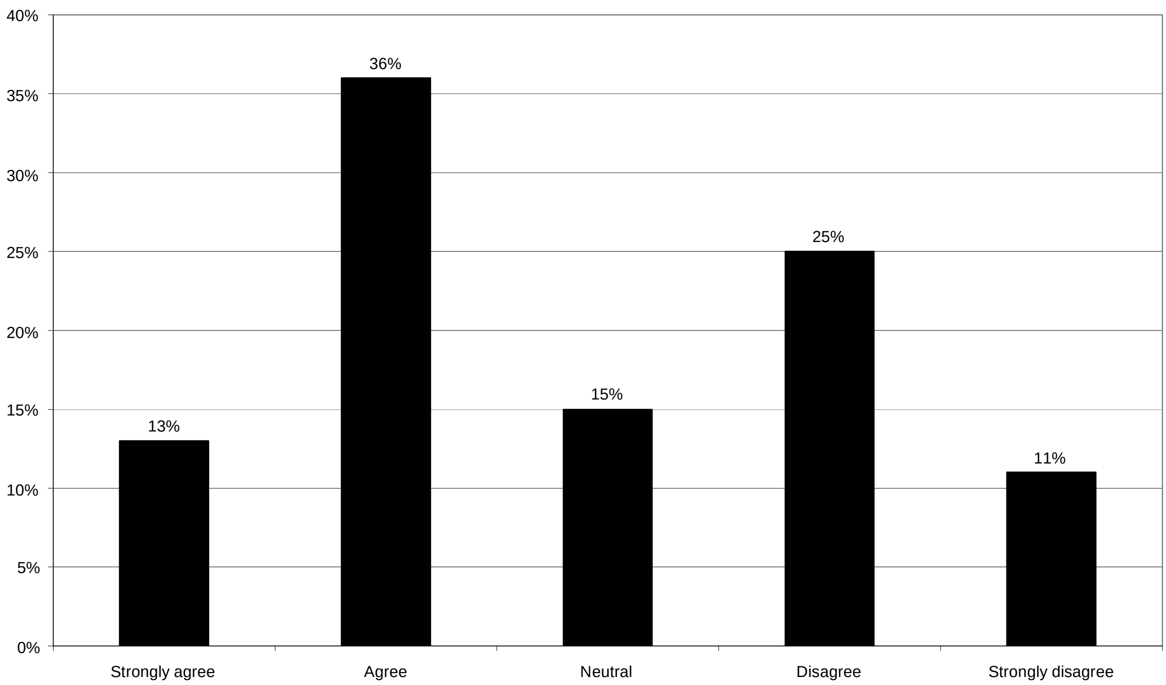
Staff turnover is a function of the number of staff leaving over the number of staff employed. In 2006-07, respondent agencies employed 15,145 FTE staff and lost 2,914 FTE staff. Average staff turnover across respondent agencies is therefore equivalent to 19.2% which is higher than the all Australian industry average of 18.5%.[20]

Increasing time worked

Forty-nine per cent of agencies reported that they had increased the number of paid hours worked by staff, while 68% of agencies agreed that the unfunded work by staff and volunteers had increased between 2005-06 and 2006-07. This is consistent with the reported rise in demand exceeding the rate of increase in the workforce.

Figure 1.5: Use of paid work: proportion agree/disagree with statement: 'this year we have increased the number of paid hours worked by staff'

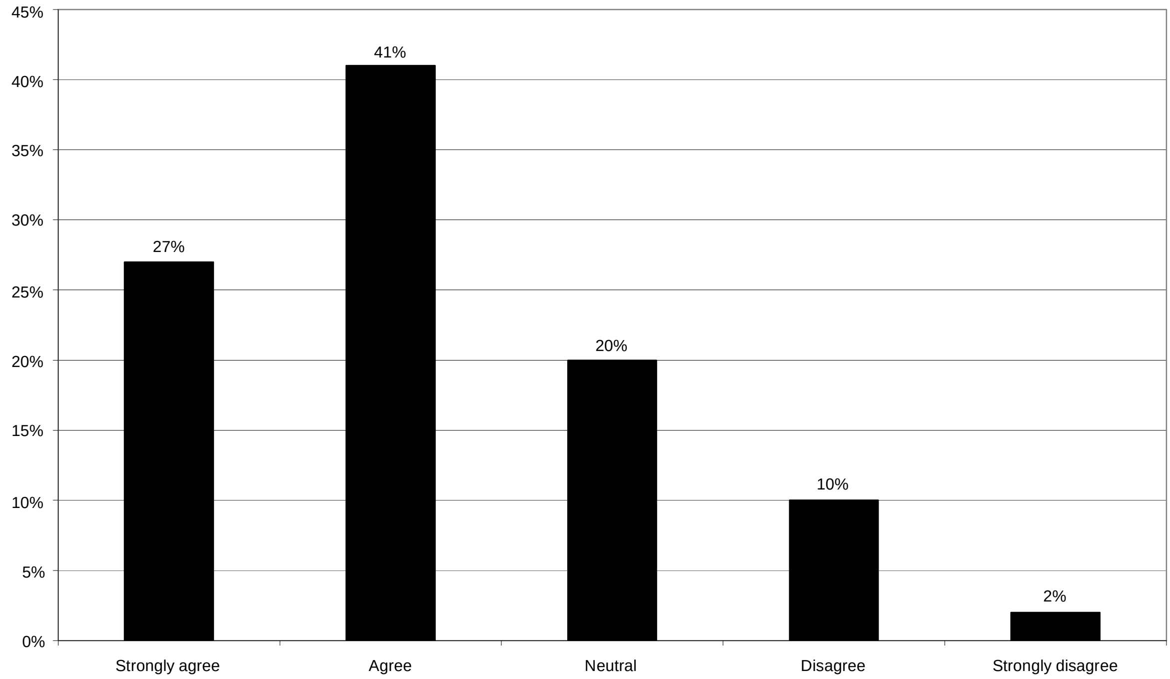
N=703



[20] Australian Human Resources Institute, AHRI HR Pulse: 'Love 'em don't lose 'em' – Identifying retention strategies that work, 2008 accessed on 24 April 2008 at http://www.ahri.com.au/MMSdocuments/profdevelopment/research/research_papers/0803_pulse_vol2_no1_love_em_don't_lose_em_web.pdf.

Figure 1.6: Use of unpaid work: proportion agree/disagree with statement: 'compared to last year unfunded work by staff and volunteers has increased'

N=703



Attracting appropriately qualified staff

Sixty-four per cent of respondent agencies indicated that they had experienced difficulty attracting appropriately qualified staff in the past year compared to 36% who had no difficulty.[21]

The need for appropriately qualified staff was also reflected in other areas of the survey. An open ended question about the three most important issues facing services resulted in 43% of respondents naming staffing as one of these three. A significant proportion of respondents expressed concern about wage levels and indicated that they had trouble attracting and retaining qualified staff.

Occupational health and safety

Twenty-nine per cent of respondents reported a workplace injury in 2006-07, compared with 71% who did not report a workplace injury.[22]

[21] N=320.
[22] N=320.

Income and Expenditure

Matching resources to demand remains the fundamental challenge facing sector organisations. Of the 682 respondents who answered a question about the three most important issues facing their organisation, 52% mentioned inadequate funding or insufficient resources as a major issue facing their service.

Looking at the overall income and expenditure for all organisations (Table 1.7) it can be seen that income has increased by $104 million and expenditure has increased by $83 million between 2005-06 and 2006-07, increasing the surplus by $21 million.

Table 1.7: Income and Expenditure Totals

Year	Total operating expenses[23] ($ millions)	Total income ($ millions)	Deficit/Surplus ($ millions)
2006/07	1,205	1,532	327
2005/06	1,122	1,428	306
Difference	83	104	21

Agencies have secured a 7% increase in overall income between 2005-06 and 2006-07, with a 14% increase in Commonwealth Government funding and a 7% increase in State/Territory Government funding. However there was an 11% decrease in own source income.

[23] N=725

Table 1.8: Funding Sources

N=725

Source	2005-06 (millions)	2006-07 (millions)	% change	% total (2006-07)
Commonwealth Government	770	875	14%	57%
State/Territory Government	283	303	7%	20%
Local Government	5	5	0%	0.3%
Client fee income	122	128	5%	8%
Own source income*	248	221	-11%	14%
Total	**1,428**	**1,532**	**7.3%**	**100%**

* incl. donations, sponsorship, sale of goods and services to the public etc

Other sector capacity issues

A number of other factors affect the viability of community sector organisations including:

- the adequacy of funding levels and the effect of government contractual requirements, including in relation to advocacy activities
- the tax status of organisations
- access to insurance
- access to information and communications technology.

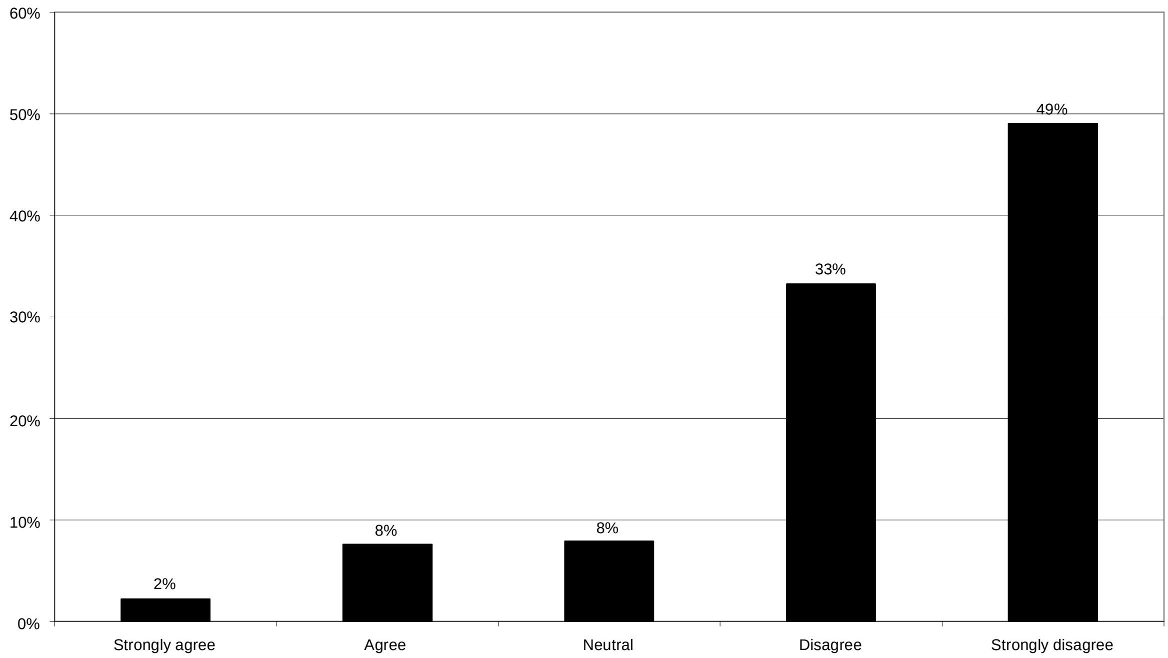
These factors impact upon an organisation's ability to recruit and retain staff, to effectively deliver services and work with other organisations, and balance service delivery demands, advocacy and administrative requirements.

Adequacy of Government funding to meet cost of contracted services

Eighty-two per cent of respondents disagreed with the statement that 'Government funding covers the true cost of delivering contracted services'. Only 10% expressed the view that funding was adequate, with 8% neither agreeing nor disagreeing.

Figure 1.7: Adequacy of government funding: proportion agree/disagree with statement: 'Government funding covers the true cost of delivering contracted services'

N=316

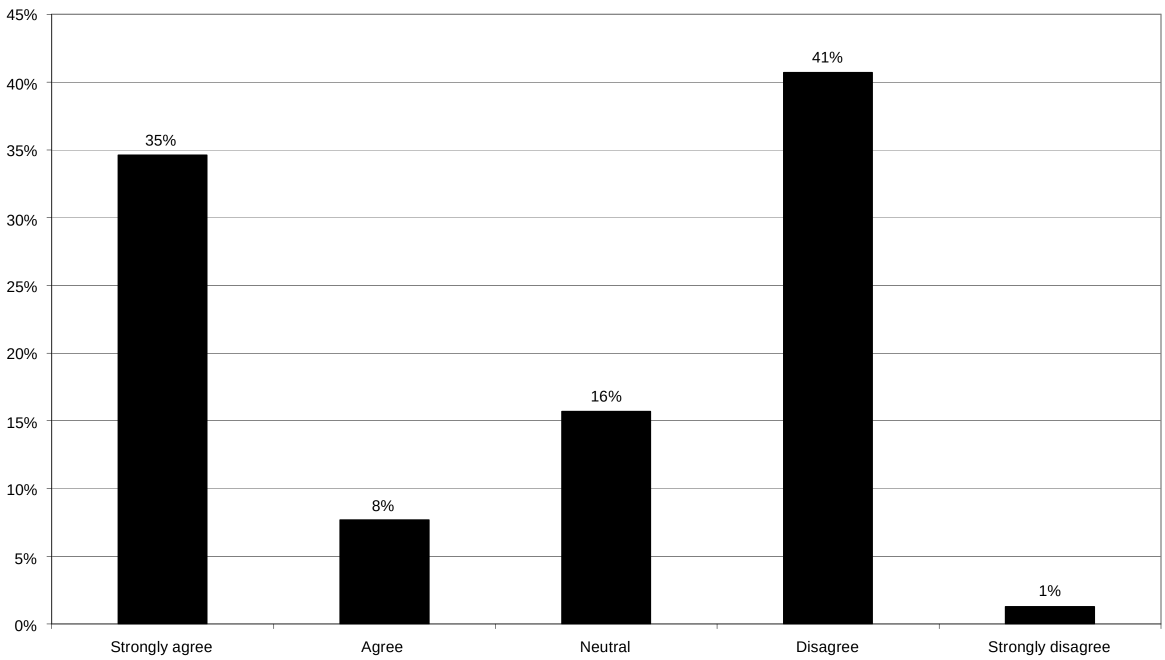


Adequacy of Government funding to cover the cost of partnerships and collaborations

Respondents were evenly split on the question of whether their funding adequately covered the costs of partnerships and collaborations stipulated in contracts with Government, with 43% agreeing and 42% disagreeing that costs were covered.

Figure 1.8: Adequacy of Government funding regarding cost of partnerships: proportion agree/disagree with statement: 'Government funding adequately covers the cost of partnerships and collaborations required in our contracts with Government'

N=312

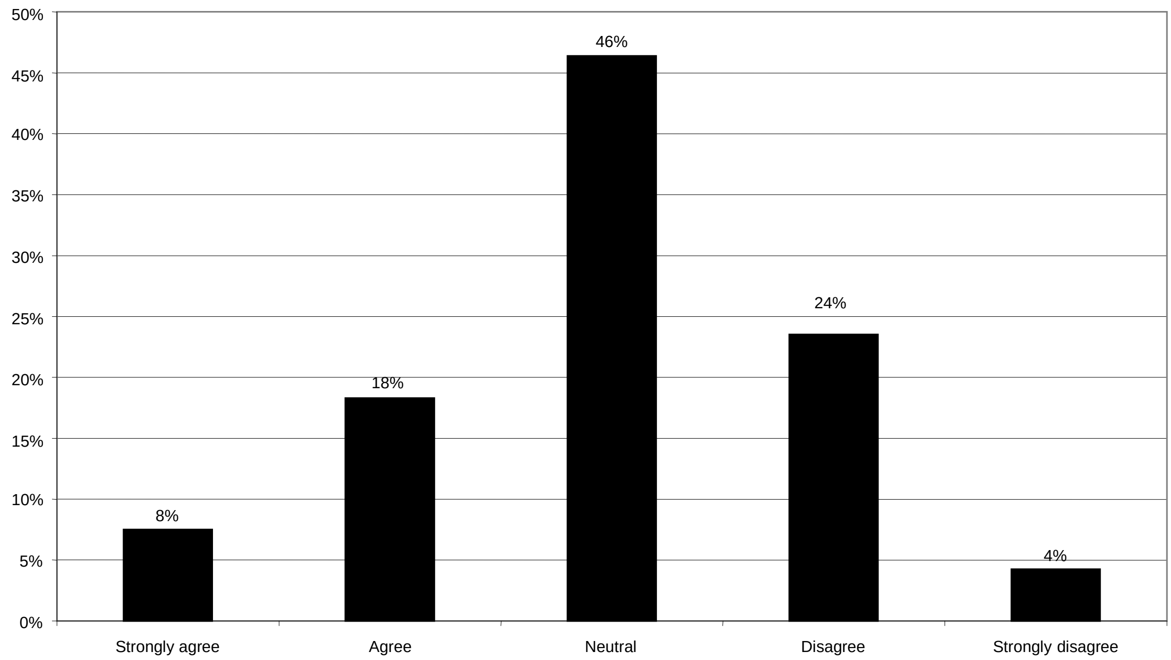


Effect of contract requirements on organisations' ability to deliver contracted services

Respondents were also divided over the effect of contract requirements on organisations' ability to deliver contracted services. While 22% of respondents agreed that contract requirements adversely affected their organisation's ability to deliver contracted services, 28% disagreed with this statement. The remaining 46% neither agreed nor disagreed.

Figure 1.9: Effect of contract requirements: proportion agree/disagree with statement: 'contract requirements adversely affect our organisation's ability to deliver contracted services'

N=306

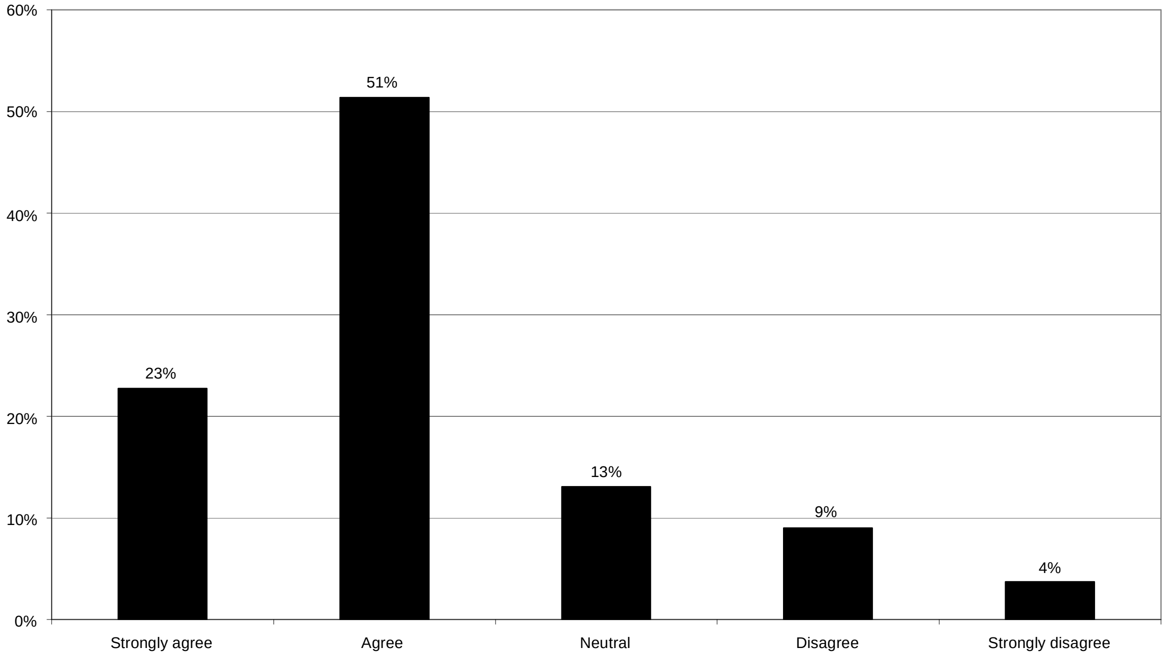


The advocacy role of community organisations

A clear majority of respondents (74%) indicated that they were able to speak publicly about issues affecting their clients. Only 13% disagreed and another 13% neither agreed or disagreed.

Figure 1.10: Ability to speak publicly: proportion agree/disagree with statement: 'our organisation is able to speak publicly about the issues facing our clients'

N=321



Tax Status

The tax concessions available to community service organisations depend on the purposes and activities of specific organisations and how the Australian Taxation Office and State Government entities interpret the law governing charities and related organisations.

Tax concessions can be very valuable to individual organisations, running from exemptions from paying income tax to Fringe Benefits Tax (FBT) exemptions which enable employers to offer employees ‘salary packages’ which include untaxed non-cash benefits.

Status as a Public Benevolent Institution (PBI) attracts particularly generous concessions, including exemptions from FBT. Status as a Deductible Gift Recipient (DGR) not only makes gifting to these organisations attractive but is a pre-condition for funding by most philanthropic bodies.

The tax status of survey respondents is mixed, with 43% of organisations reporting having PBI or DGR status or both, 47% reporting that they were an Income Tax Exempt Charity (ITEC) only, and 10% reporting that they were neither PBI, DGR or ITEC.

Table 1.9: Tax status

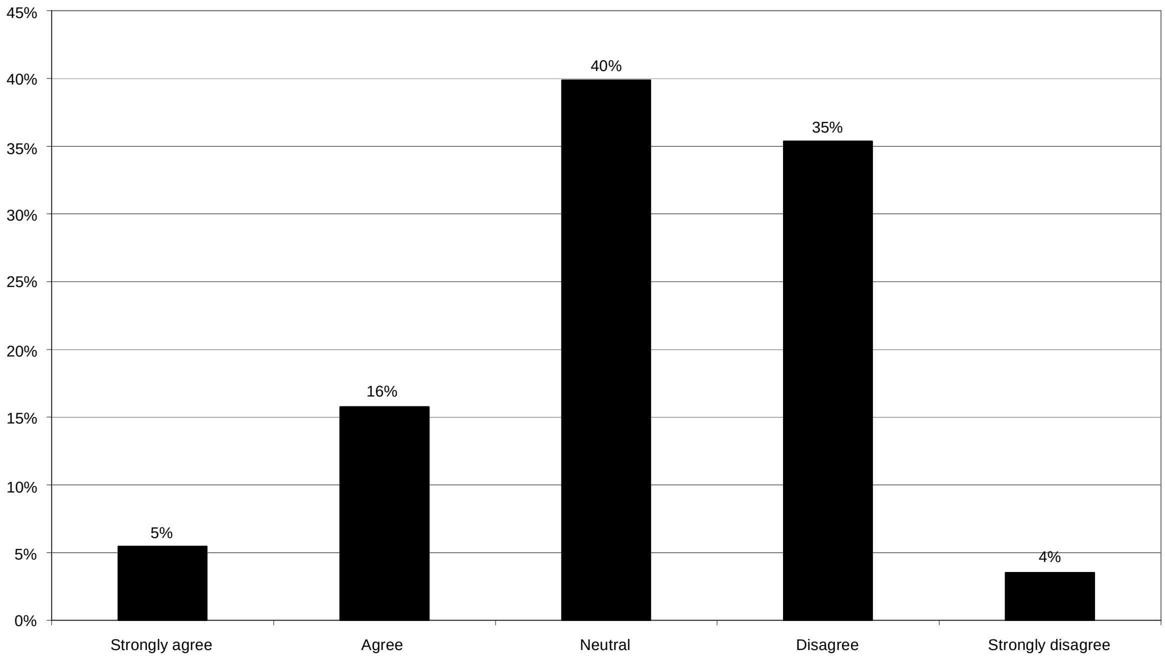
Tax Status	Number of organisations	Percentage
ITEC	167	47%
ITEC, PBI, & DGR	57	16%
PBI	46	13%
DGR	27	8%
PBI and DGR	17	5%
ITEC and PBI	6	2%
None of the above	37	10%
Total	**357**	**100%**

Access to public liability insurance

Access to public liability insurance remains an issue for a significant minority of organisations, with just over a fifth of agencies reporting it as a problem.

Figure 1.11: Access to public liability insurance: proportion agree/disagree with statement: 'the cost/availability of public liability insurance prohibits us from undertaking community events'

N=311



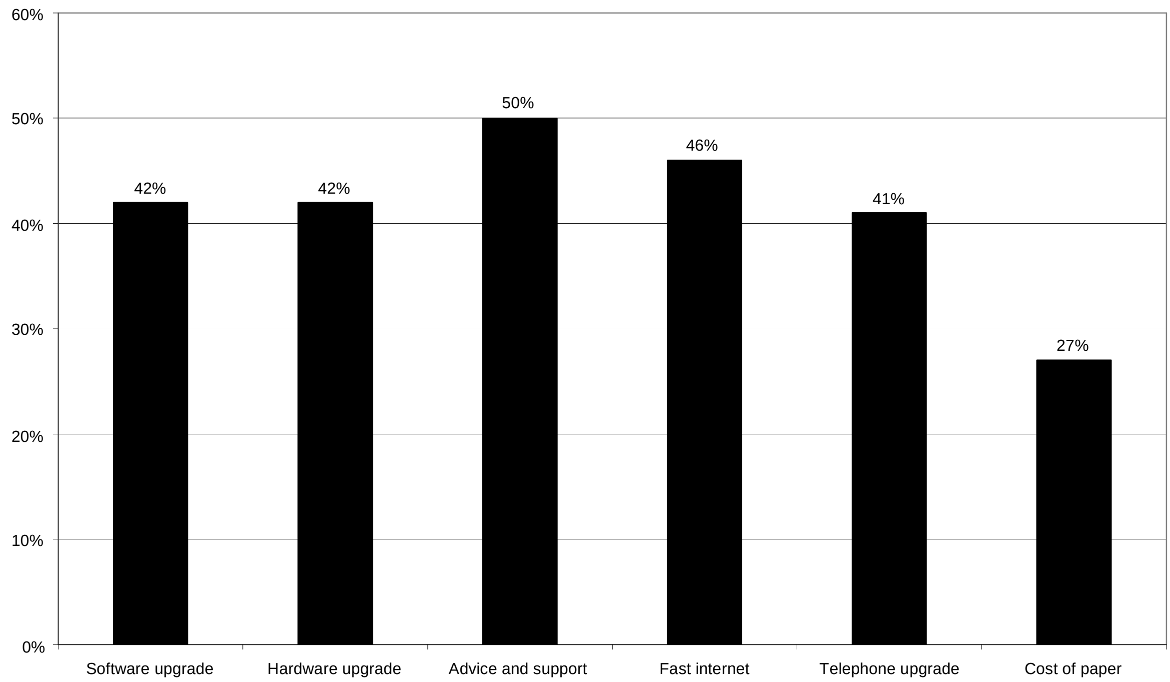
Information and communications technology services (ICT) and support

The level of ICT services and equipment available to an organisation affects its capacity to deliver services and fulfil administrative requirements. In this year's survey, respondents were asked a series of questions about their ICT needs.

The greatest level of need reported by respondents was for ICT advice and support, with 50% reporting a high level of need, followed by access to a fast internet connection (46%). Forty-two per cent of respondents reported a high level of need for both software and hardware upgrades, while 41% reported a high level of need for a telephone system upgrade.

Figure 1.12: Percentage of organisations reporting a high level of need for ICT

N=307-310



Key results by size of agency

When the key results in the previous sections of this report are disaggregated by agency size[24] we find that:

- small and medium agencies operate on much slimmer financial margins than larger agencies (see table 1.10)
- the larger the organisation, the lower the percentage of eligible people turned away from the agency as a percentage of those assisted (see table 1.11)
- the larger the organisation the lower the staff turnover but the greater the difficulty in attracting qualified staff (see table 1.12).

Table 1.10: Deficit/Surplus by agency size

Agency Size	Year	Total operating expenses ($ millions)	Total income ($ millions)	Deficit/Surplus ($ millions)	Deficit/Surplus as % of income
Small	**2006-07**	87.77	88.58	0.81	0.9%
n = 235	**2005-06**	82.34	83.89	1.55	1.9%
Medium	**2006-07**	159.81	165.27	5.46	3.3%
n = 7	**2005-06**	140.81	147.58	6.77	4.6%
Large	**2006-07**	957.28	985.65	28.37	2.9%
n = 35	**2005-06**	898.62	923.60	24.97	3.6%

Table 1.11: People turned away by agency size 2006-07

Agency Size	Eligible people turned away as a % of people assisted
Small n = 163	5.40%
Medium n = 57	5.20%
Large n = 26	1.30%

[24] Small agencies were classified as those with incomes between $10,000 and $1 million, medium sized agencies were classified as those with incomes between $1million and $5 million, and large agencies as those with incomes greater than $5 million.

Table 1.12: Staff turnover and recruitment by agency size

Agency Size	Year	Number paid staff (FTE)	Number paid staff (FTE) who left	Staff turnover	% who had difficulty attracting qualified staff
Small n = 235	**2006-07**	912	286	31%	41%
Medium n = 73	**2006-07**	1,676	379	23%	49%
Large n = 35	**2006-07**	9,836	2,089	21%	74%

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