

NCOSS Policy Platform 2023:

Working together for a fairer NSW





Acknowledgement of Country

NCOSS respectfully acknowledges the sovereign Custodians of Gadigal Country and pay our respects to Elders, past, present and emerging. We acknowledge the rich cultures, customs and continued survival of First Nations peoples on Gadigal Country, and on the many diverse First Nations lands and waters across NSW.

We acknowledge the spirit of the Uluru Statement from the Heart and accept the invitation to walk with First Nations peoples in a movement of the Australian people for a better future.

About the artist

Our Report design draws on elements of the work we commissioned for our Reflect Reconciliation Plan, launched in June 2021. The work, by Karlie Stewart, a very talented Wandi Wandian woman from Yuin Country on the South Coast of NSW, is titled One Step of Many More. Karlie is also Program Manager, Aboriginal Healing with NCOSS member organisation, Weave, a Lecturer in Social Work at the University of Wollongong, and a member of NCOSS' Partners and Advisors Group, which is helping to guide the implementation of our RAP.





NSW Council of Social Service

Phone: (02) 9211 2599 Email: info@ncoss.org.au

Gadigal Country

Yirranma Place, Level 1, 262 Liverpool St, Darlinghurst

Message from the CEO

Over the past three years, people in NSW have faced unprecedented upheaval, as the state has been hit by fires, floods and a pandemic. The evidence tells us that collectively, these events have contributed to increased housing insecurity and homelessness, and a spike in domestic violence across the state. More people have experienced anxiety and depression, while children's safety, social development and educational outcomes have been negatively impacted, with potentially lifelong implications.



In recent months, stagnant wages along with multiple interest rate rises and inflation at a 32-year high have seen the cost of living soar, with floods and the war in Ukraine adding to the upheaval. These economic headwinds are forecast to continue, as is extreme weather.

Concerningly, the impacts of these events are not felt evenly. Particular regions and groups in the community bear the brunt. Beyond individual impacts, there are flow-on economic costs from reduced productivity and participation, and increased demand on our social service, health and other systems.

During these unprecedented times, frontline social service organisations have lifted communities up and supported those doing it toughest. But these organisations face an uphill battle responding to the rising tide of demand, all too often dealing with their own scarcity of resources and depleted finances.

The importance of learning from these last few years - and investing wisely to prevent entrenchment of disadvantage and widening inequality - cannot be overstated. As the recent Independent Review of Australia's COVID-19 Response has found, being prepared for future crises depends on our ability to address societal fault lines and place the needs of people who are disadvantaged front and centre.

Which is why the next four years are so important.

This policy platform sets out the opportunities to work together for a fairer NSW and the investments that will deliver benefits for the future. It has been developed through close engagement with our members and informed by a rigorous research agenda.

The next NSW Parliament can act decisively to provide immediate cost of living relief, build resilience for vulnerable population groups and improve conditions and opportunities for the female dominated social service sector.

NCOSS looks forward to working with policymakers and elected officials to pursue opportunities which prioritise those most in need, deliver benefits for the future and set us on the path for a fairer NSW.

Joanna Quilty, CEO, NSW Council of Social Service

Summary of Recommendations

Immediate cost of living relief



1 Respond to rising energy prices:

- a. Permanently increase the cap on Energy Accounts Payment Assistance (EAPA) vouchers to \$1,600 per year.
- b. Streamline the process to apply for an EAPA voucher.
- c. Ramp up promotion of EAPA vouchers in low-socio economic areas and amongst other vulnerable cohorts.
- d. Make the Low Income Household Rebate a fixed percentage of a person's energy bill, instead of a flat rate.



2 Improve access to dental care:

- a. Double funding for public dental outreach services to address shortages across NSW, prioritising locations with the highest need and most disadvantage.
- b. Address gaps in the provision of dental services by Aboriginal Community Controlled Health Services to increase access to this essential care for Aboriginal communities.



3 Make renting more secure and affordable:

- a. Replace no grounds evictions in the current NSW tenancy law with a range of specified reasonable grounds.
- b. Where tenants are evicted for reasons other than a breach, introduce provisions requiring compensation for moving costs by the landlord.
- c. Introduce a permanent hardship framework to support renters maintain their tenancy and avoid eviction.
- d. Consider the feasibility of a mandatory landlord insurance scheme and/or landlord rental bond scheme to cover the cost of hardship provisions such as rent reductions.



4 Invest in social infrastructure so that essential support reaches those in need:

a. Provide core funding for neighbourhood centres and similar services that act as access and distribution points for essential support, social connection and pathways to assistance during tough times.

Targeted support for the most vulnerable



5 Enhance safety, security and wellbeing for women impacted by domestic and family violence:

a. Construct social housing for the 4,812 women and their children experiencing domestic violence who become homeless or return to a violent relationship because of a lack of housing.



6 Bolster children's safety, social development and educational outcomes:

- a. Increase investment in the Targeted Early Intervention Program by 25%, prioritising Aboriginal Community Controlled Organisations.
- b. Continue evidence-based implementation of high quality school tutoring programs to counter the long-term impacts of lost education due to COVID.
- c. Implement the Family is Culture blueprint through a genuine partnership and shared decision making with Aboriginal leaders, Community Controlled Organisations and communities.
- d. Enhance timely access to health and social services for children and their families in disadvantaged communities, by extending the 'School Gateway Project' in its South West Sydney location and to another two school sites in NSW.



7 Limit the harm caused by pokies on vulnerable communities:

- a. Mandate use of a cashless gaming card across NSW venues operating pokies, to enable a pre-commitment scheme, voluntary exclusion and other harm minimisation measures.
- b. Overhaul the NSW ClubGRANTS scheme so that it provides transparent, targeted funding for those it was designed to benefit people on low incomes or who are otherwise disadvantaged.

Social Sector sustainability



8 Strengthen sustainability of the NSW social service sector as a growth industry and key employer of women

- a. Extend standard contract lengths for social service sector grants to seven years and ten years for service delivery in rural and remote communities.
- b. Introduce portability of entitlements, including long service leave, providing incentive for experienced staff to stay in the sector.
- c. Introduce consistent, evidence-based indexation.
- d. Develop a population-based funding model for the sector.

Our approach

Our recommendations are grouped into three categories: cost of living relief, targeted support for the most vulnerable and social sector sustainability. They are based on consultation with NCOSS members over the last four years. They also draw on our recent Cost of Living research and our Aftershock research series.

Our Cost of Living survey was undertaken in April this year, involving a statistically representative sample of more than 1,000 low income households across the state. Since its completion, inflation has increased to 7.3% and there have been seven consecutive interest rate rises. While it paints a grim picture, the situation for many has deteriorated further.

Similarly, our Aftershock – Addressing the Economic and Social Costs of the Pandemic and Natural Disasters series uses best available evidence to assess the impacts of the last three years on the wellbeing of people in NSW. In many instances, these estimates are likely to be conservative.

The recommendations in this policy platform respond to some of the immediate, practical challenges facing households in NSW; broader structural issues exacerbating disadvantage; and sector issues which require urgent attention to support the under-resourced, female-dominated social service sector.

Where possible, we have provided estimated costings of our recommendations based on best available information. However, a decline in the public availability of relevant data has made this task challenging.

Immediate cost of living relief



Respond to rising energy prices:

- a. Permanently increase the cap on Energy Accounts Payment Assistance (EAPA) vouchers to \$1,600 per year.
- b. Streamline the process to apply for an EAPA voucher.
- c. Ramp up promotion of EAPA vouchers in low-socio economic areas and amongst other vulnerable cohorts.
- d. Make the Low Income Household Rebate a fixed percentage of a person's energy bill, instead of a flat rate.

More and more people living in NSW are waking up each morning and wondering how they will afford to feed their families, pay the bills, and just get by.

Energy costs consume a sizable portion of the disposable income of low income households. Our Cost of Living survey identified utilities and housing as the most significant items of expenditure and coming under the most pressure in recent times, second only to food.

58% of respondents reported difficulty covering the cost of everyday essentials like utility bills, and resorting to drastic actions including skipping meals and forgoing health care and medication in order to make ends meet. The majority of respondents did not have any savings in case of emergencies.¹

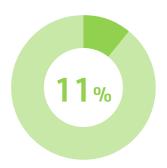


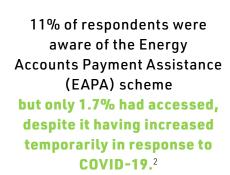
58% of respondents reported difficulty covering the cost of everyday essentials

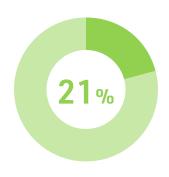
Ouring the pandemic we were struggling to make rent, we could afford food but it was far from an ideal diet. Utility bills were almost never paid on time, and we were forced to ask our family for financial assistance on multiple occasions"

(2022 Cost of Living survey respondent: male, 25-34, couple with dependent children, Central West)

Yet the survey found extremely low awareness, and even lower uptake, of NSW Government Cost of Living initiatives aimed at helping low income households cover their energy costs.







21% of respondents
were aware of the
Low Income
Household Rebate
but only 4.7%
had used it²



19% of respondents
were aware of the
Seniors Energy
Rebate
but only 6.4% had
accessed it²

With awareness rates for Dine and Discover vouchers sitting at 78% and access rates at 68%, something is clearly amiss. When it comes to EAPA vouchers, it can take up to six weeks for an application to be processed (despite the scheme being there for financial emergencies), it requires considerable documentation to obtain one \$50 voucher at a time, and the assessment process is complex.

Such barriers need to be removed, starting with a permanent increase to \$1,600 for EAPA vouchers, regardless of energy type used, and streamlining the application process to mirror that for Dine and Discover vouchers. Making the Low Income Household Rebate a percentage of the eligible applicant's utility bill, rather than a flat rate, will also ensure a more targeted program that delivers the most benefit to people in highest need.

A comprehensive awareness campaign, using multiple channels and targeting lower socioeconomic areas, First Nations communities and culturally diverse households will help to deliver the uplift required, at a time when cost of living support has never been more important.



2 Improve access to affordable dental care

- a. Double funding for public dental outreach services to address shortages across NSW, prioritising locations with the highest need and most disadvantage. Estimated cost: \$15 million pa
- b. Address gaps in the provision of dental services by Aboriginal Community Controlled Health Services to increase access to this essential care for Aboriginal communities. *Estimated cost: \$5 million pa*

Good oral health is fundamental to health and wellbeing. Oral health is one of the leading causes of acute preventable hospital admissions in Australia. In 2019–20, about 67,000 hospitalisations for dental conditions may have been prevented with earlier treatment.³ Poor oral health is associated with chronic diseases such as stroke and cardiovascular disease. It also affects a person's quality of life – it can impair appearance, speech, self-confidence and participation in education, work and social life.⁴

Dental care is an essential health service but in Australia it is not covered by the Medical Benefits Scheme with the majority of expenditure borne by individuals. For many the cost of dental care is prohibitive with up to 1 in 5 people in NSW delaying visits for this reason. For people without private health insurance, in regional areas of NSW or who are unemployed, this is even more so.⁵

The public dental system is the backup for those on low incomes who can't afford private dental care. But with more than 100,000 adults on the waiting list for assessment and treatment in NSW,⁶ and average waiting times, in 2020-21, of 16 months to get an appointment (up to two and a half years for less serious conditions)⁷, many people are living in pain and discomfort for unacceptable periods.

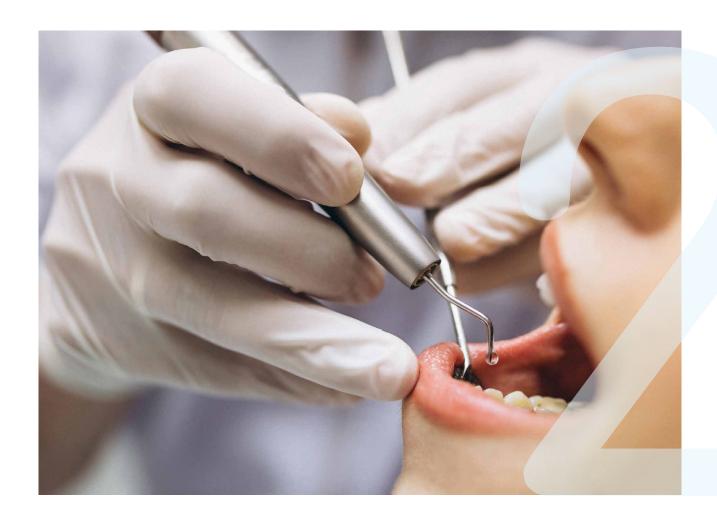
A 2020 survey by Health Consumers NSW highlighted the experiences of 105 people struggling with the cost of health care in NSW, including dental services. Participants spoke about neglecting their teeth, putting off dental care for the whole family because of cost, and ending up with teeth extractions after years spent on the public waiting list or because it was the only option they could afford.⁸

There is an inequitable distribution of public dental services across the state. While there are waiting lists across all Local Health Districts in both metropolitan and rural and regional areas, those with the highest numbers are Hunter New England, South West Sydney, Central Coast, Northern NSW and Southern NSW. 9

In rural and remote areas, waiting times are compounded by the difficulties in accessing services. The Far West district, covering 195,000 square kilometres, has only one permanent public dental clinic at Broken Hill and six others that operate irregularly. ¹⁰ If they are able to get an appointment, people in outlying areas then have to travel large distances, involving considerable time and cost.

NSW Health currently funds 35 outreach services across the state but this is clearly insufficient to meet the demand. Doubling the number of outreach services, including the provision of oral health promotion programs, would be the quickest way to deploy additional resources to address this high level of unmet need and improve oral health outcomes.

Many Aboriginal and Torres Strait Islander people experience poor oral health and untreated dental disease, and they are less likely to have received preventative dental care. Factors can include cost, accessibility, and lack of cultural awareness by some service providers. ¹¹ For First Nations communities in rural and remote areas these factors are compounded. And while Aboriginal Community Controlled Health Organisations play an essential role in planning and delivering culturally appropriate and accessible oral health services in both metropolitan and regional NSW - only 24 of the 37 across the state are funded for these services. This needs to change.





3 Make renting secure and affordable

- Replace no grounds evictions in the current NSW tenancy law with a range of specified reasonable grounds.
- b. Where tenants are evicted for reasons other than a breach, introduce provisions requiring compensation for moving costs by the landlord.
- c. Introduce a permanent hardship framework to support renters maintain their tenancy and avoid eviction.
- d. Consider the feasibility of a mandatory landlord insurance scheme and/or landlord rental bond scheme to cover the cost of hardship provisions such as rent reductions.

Renters are the fastest growing tenure type in Australia. In NSW, the number of households renting has increased by 17.5% since 2016, now making up close to one third of households across the state. ¹²

Low income renters are most at risk of housing insecurity and displacement when disasters occur. Across NSW, the combined impact of loss of properties from bushfires and floods and the COVID-induced movement of people to regional areas has seen housing shortages worsen and vacancy rates plummet. As a result, an estimated 54,000 additional households have entered or experienced a worsening of housing stress since the start of the pandemic.¹³

And with flatlining wages and rental increases particularly impacting regional areas, the number of low income rental households in regional NSW experiencing extreme housing stress (paying more than 50% of their income on housing costs) has increased since March 2020 by 52%. ¹⁴

Our Cost of Living survey highlights that escalating housing costs limit the ability of low income households to pay for other essentials. It also underscores the precarity of renting. Almost half of the rental households surveyed had experienced a negative change to their housing in the previous 12 months - including rent increases, having their lease terminated or not renewed, moving because of cost, or having their home damaged by a natural disaster.¹⁵

"We were cut hours and pay but our rent increased. A lot of sacrifices had to be made. Kids could no longer attend day-care, nor could we afford to do much for them here at home. We have been stripped of a lot of food choices and have been eating noodles, pasta, or rice (whichever was available!) more than often. It's been difficult to explain to our kids why we are under a lot of pressure and stress financially"

(2022 Cost of Living survey respondent -female, 25-34, couple with dependent children, Outer South-West Sydney)

There are significant costs associated with this uncertainty, such as disrupted schooling and employment. It also leads to rising homelessness, with an estimated increase of 10% across NSW since the start of the pandemic.

This is devasting for the individuals and families forced into desperate circumstances. But the costs to the NSW economy – of between \$524.5 million and \$2.5 billion – are also significant.¹⁶



4 Invest in social infrastructure so that essential support reaches those in need

a. Provide core funding for neighbourhood centres and similar services that act as access and distribution points for essential support, social connection and pathways to assistance during tough times. *Estimated cost: \$27 million pa*

Neighbourhood centres and other services such as multicultural services and Aboriginal Community Controlled Organisations have been lifelines during recent disasters. They have distributed food and financial aid, checked in on the socially isolated, translated complex messaging and ensured that available relief reaches those whose need is greatest.

They also provide social connection and psychological support. Financial hardship can be both mentally draining and lonely - the poorest one-fifth of Australians are more likely to experience high levels of psychological distress; while people living below the poverty line are twice as likely to not go out or catch up with family and friends, and to not be able to afford the internet or mobile data.¹⁷

Neighbourhood centres fill this gap. They also act as a gateway, helping people navigate complex systems to get the services they need.

The Queensland Government recently doubled core funding to its network of 127 neighbourhood and community centres, recognising their vital role during tough times. But in NSW there is no core funding. Here, neighbourhood centres are dependent on attracting program-based funding which doesn't cover core operational costs, and must rely on fundraising efforts and volunteers to bridge the gap.

Investing in core operational funding for NSW's network of 180 locally-managed neighbourhood centres and enabling new centres to be established in growth areas would bolster essential social infrastructure and ensure their sustainability across the state.

\$123,000 per centre, and establishment of a Community Investment Fund of \$5 million, to cover the cost of new centres or locations/circumstances necessitating additional resourcing, is a modest and reasonable ask in view of the invaluable contribution these organisations make to the wellbeing of NSW.

Targeted support for the most vulnerable



5 Enhance safety, security and wellbeing for women impacted by domestic and family violence

a. Construct social housing for the 4,812 women and their children xperiencing domestic and family violence who become homeless or return to a violent relationship because of a lack of housing. *Estimated cost: \$2.2 billion*

The housing crisis continues to worsen in NSW, particularly for those who are most vulnerable. Social housing waiting lists are overwhelmed, at almost 50,000 people as of June 2021, with wait times for some locations of over 10 years. ¹⁸ First Nations people are homeless at over seven times the rate of the general population. ¹⁹

Meanwhile the pandemic has worsened housing insecurity for women in NSW. The number of people seeking specialist homelessness services who had experienced domestic and family violence increased by 7.1% in 2020-21, twice the rate of the overall increase in demand. It is estimated that in the first year of the pandemic, 60,000 women experienced domestic and family violence for the first time; and a further 46,000 experienced an escalation in violence.

A long-term approach to addressing the housing crisis is needed, including a target to increase the proportion of social housing to 10% of all NSW dwellings by 2050.

As a first step, the incoming NSW Government should focus on problems we can and must solve now – providing homes for the 4,812 women and their children experiencing violence who currently face homelessness, or returning to violence because of a lack of safe, secure and affordable housing. 22

An additional investment of \$2.2 billion - less if community housing providers and other innovative financing models are used - would enable this. As well as saving lives, it would boost the NSW economy with an estimated \$4.5 billion in social and economic benefits.²³

60,000

60,000 women experienced domestic and family violence for the first time

46,000

a further 46,000 experienced an escalation in violence.



6 Bolster children's safety, social development and educational outcomes

- a. Increase investment in the Targeted Early Intervention Program by 25%, prioritising Aboriginal Community Controlled Organisations. *Estimated cost: \$43 million pa*
- b. Continue evidence-based implementation of high quality school tutoring programs to counter the long-term impacts of lost education due to COVID. Estimated cost: \$360 million pa
- c. Implement the Family is Culture blueprint through a genuine partnership and shared decision making with Aboriginal leaders, Community Controlled Organisations and communities.
- d. Enhance timely access to health and social services for children and their families in disadvantaged communities, by extending the 'School Gateway Project' in its South West Sydney location and to another two school sites in NSW. Estimated cost: \$3 million pa

Children in NSW have faced major upheavals over the last three years, as families have dealt with increasing financial stress, and the closure of schools and childcare has impacted learning and social development. The full impacts are still unfolding but a concerning picture is emerging.

More children from low socio-economic areas are starting school developmentally vulnerable, increasing by 13.4% between 2018 and 2021, and more likely for Aboriginal children.²⁴

The mental health of children and young people has taken a hit – with a large spike in calls to the Kids Helpline and a 32.7% jump, in 2020-21, in emergency department presentations for under 17 year-olds with mental health concerns. 25

There are more children at risk of significant harm. Reports have risen by 13.5% overall in the three years to 2020-21, up by more than 20% in some locations. For Aboriginal children, over the five years to 2019-20, there was a 40% increase. ²⁶

13.4%

Increase between 2018 and 2021 in children from low socio-economic areas starting school developmentally vulnerable.²⁴

32.7%

Increase in 2020-21 in emergency department presentations for under 17-year olds with mental health concerns.²⁵ 40%

Increase, over five years, in Aboriginal children at risk of significant harm.²⁶

Across NSW, school students have missed out on 7 to 19 weeks of face-to-face learning, with children from lower socio-economic areas most at risk of reduced educational outcomes, lost opportunities and associated long-term costs.²⁷

Our service system continues to be crisis oriented, making it hard for families to connect with the right support early on. Even a child protection notification doesn't guarantee access to services. In 2021, only a guarter of children reported at risk of significant harm were seen by a caseworker.²⁸

Recent reforms have placed greater responsibility on non government organisations – requiring them to extend reach, take on more complex cases and implement measurement and reporting frameworks. But funding has not kept pace, despite added responsibilities and growth in demand.

While the 2022-23 State Budget allocated \$3.1 billion in recurrent expenses to the child protection system, including \$1.6 billion to support out-of-home care and permanency outcomes, only \$172 million is allocated to the Targeted Early Intervention Program.

A suite of measures is required to address the adverse impacts of the last three years, provide timely support and prevent outcomes worsening - particularly for already disadvantaged children. The needs of Aboriginal children must be prioritised.

In this regard, the <u>Family is Culture review</u> undertaken by Professor Megan Davis provides the blueprint to address the over-representation of Aboriginal children and young people in the out-of-home care system. Three years on, concerns are that progress with implementation of the review's 126 recommendations has been piecemeal, lacking in substance and failing to adequately engage with and empower Aboriginal peak bodies, Community Controlled Organisations and communities.

There is also the opportunity to extend an innovative program currently operating in South West Sydney which is testing the potential to lift educational outcomes by leveraging the physical and social infrastructure of the school setting to connect families to timely health and social services.





The School Gateway project

The School Gateway project is a partnership between NCOSS and Ashcroft Public School in South West Sydney, funded for three years through Allan and Gill Gray Philanthropy Australasia.

Based on the Victorian Our Place approach, the project uses the social and physical infrastructure of the school to combine high quality early learning and schooling with health and wellbeing services for the whole family, including adult learning and enrichment activities. It is based on the premise that providing ready and timely access to services and supports, in a familiar and welcoming environment, will encourage positive family functioning and parental involvement in children's learning, lifting educational outcomes and preventing the need for crisis intervention.

Now at the end of its second year, the project has been based at the highly culturally diverse Ashcroft Public School for 12 months. The Mirrung Wellbeing Hub, situated on school grounds, is up and running, with strong engagement from families, students and the school community in its establishment, and a growing range of activities and supports on offer.

The project team employed by NCOSS operates from the school, working with the school principal and leadership team to build trust with families and students; broker improved collaboration across local health and social service systems; and facilitate the delivery of appropriate early intervention services and other programs through the Hub.

Taking a place-based approach, the project is reconfiguring the local service system to provide the right support at the right time for families in need. The early Education and Child Health (TeACH) Research Centre, Western Sydney University, has been engaged to independently evaluate it over its three-year duration.

Extending the project at its Ashcroft Public School site beyond 2023 and expanding to another two sites will enable the approach to be tested over a longer time period and evaluated in different community settings, informing its suitability for larger-scale rollout to key locations across NSW.



7 Limit the harm caused by pokies on vulnerable communities

- a. Mandate use of a cashless gaming card across NSW venues operating pokies, to enable a pre-commitment scheme, voluntary exclusion and other harm minimisation measures.
- b. Overhaul the NSW ClubGRANTS scheme so that it offsets harm by providing transparent, targeted funding for those it was designed to benefit people on low incomes or who are otherwise disadvantaged.

The average Australian user lost \$2,800 in 2021 on pokies, except in NSW where they lost more than \$4,500. Across NSW, in the first half of 2022, punters lost almost \$4 billion playing the pokies.²⁹

And it is Local Government Areas with the lowest levels of income, where the losses are greatest. The top 10 most profitable LGAs for clubs are Fairfield, Canterbury-Bankstown, Cumberland, Central Coast, Blacktown, Penrith, Campbelltown, Wollongong, Georges River and Newcastle.

In Fairfield, more than \$211 million net profit was recorded from some 3,300 pokies across 18 venues. Canterbury-Bankstown, which has more than 3,800 pokies across 28 venues, netted \$186 million after tax. Blacktown recorded a net profit of more than \$90 million from more than 2,000 gaming machines in 11 venues.³⁰

The most recent Census data, released in June, shows Fairfield and Canterbury-Bankstown had the lowest median household incomes of the 32 local government areas across the Sydney Basin. Cumberland City Council had the third-lowest median household income.³¹

By contrast, the lowest pokie profits were recorded in Kur-in-gai (\$374,000 in net profit from 58 pokies in five venues) and Woollahra (some \$643,000 from 59 pokies in four venues).

According to the Victorian Responsible Gambling Authority, cashless gaming systems have significant potential to minimise gambling harm, with the design and implementation of the system key to its success at protecting punters, especially those who have a serious gambling problem. This includes the ability to pre-commit to maximum losses and to self-exclude across venues.³² A cashless gaming card can also support or work in conjunction with other functions such as breaks in play, directed messaging, and provision of activity statements.

In addition to mandating a cashless gaming card, the NSW ClubGRANTs scheme must be overhauled.

In 2021 NCOSS concluded its review of its role in the Local Committee process that forms a key part of the NSW ClubGRANTS Scheme. The Scheme was established in 1998 and allows Clubs in NSW to claim dollar for dollar tax rebates on poker machine profits over \$1 million dollars (capped at 1.85%) when they make grants to eligible community projects.

Successful projects must be aimed at improving the living standards of low income and disadvantaged people and are purportedly selected on advice from Local Committees which can include local council representatives, NCOSS member organisations and other local community representatives.

Our review found that governance of the Scheme does not meet community expectations for the expenditure of taxpayer funds, with Clubs the ultimate decision makers. The review presented evidence that the Scheme's design enables Clubs to fund their own initiatives, bypass committee recommendations, select projects that do not target low income or otherwise disadvantaged groups, and to not report openly and transparently on funding decisions.

We called time on our role in the local committee process, which was in name only, and made a series of recommendations to strengthen governance and oversight of the Scheme, improve public accountability and bring it into the 21st century. These recommendations have yet to be implemented.





Social sector investment



8 Strengthen sustainability of the social service sector as a growth industry and key employer of women

- a. Extend standard contract lengths for social service sector grants to seven years and ten years for service delivery in rural and remote communities.
- b. Introduce portability of entitlements, including long service leave, providing incentive for experienced staff to stay in the sector.
- c. Introduce consistent, evidence-based indexation.
- d. Develop a population-based funding model for the sector.

The social service sector is part of the Health Care and Social Assistance Industry which is projected to make the largest contribution to Australia's employment growth to 2025. In NSW it is a major employer, with over 7,800 non-government organisations – spanning disability, aged care, domestic violence, homelessness, child and family services and others across the state – employing more than 240,000 staff and providing care and support to over one million people each year.³³

In 2015, one in twenty jobs in NSW was in the sector, but in the five years since, this has grown to one in eight jobs. According to the National Skills Commission, it will grow even further – by about 14% across NSW by 2025 and higher than the national average growth rate of 7.8% across all industries. It makes a significant contribution to the NSW economy, with annual output worth \$15.4 billion. 35

Demand for social services in NSW continues to grow. Between 2016 and 2021 the NSW population aged over 65 increased by 40%, while those needing assistance with core activities grew by 37%. The impact of COVID-19 and other recent disasters has also led to increases in mental health issues, domestic violence, housing insecurity and homelessness, and child safety and wellbeing concerns – with flow-through increases in demand for social services specialising in these areas. The social services are social services are social services.

The sector is highly feminised with three out of four jobs in NSW being female, and 50% of these jobs being casual or limited term. It is also characterised by low pay, poor conditions and a large gender pay gap. 38 According to the Fair Work Commission such 'gender-based undervaluation of work in Australia arises from social norms and cultural assumptions that impact the assessment of work value'. 39

With the labour market tightening and the supply of workers constrained, the social service sector is experiencing significant staff shortages. Latest data shows that skill level 3 occupations, including aged and disabled carers and childcare workers, recorded the highest share of occupations in shortage across both metropolitan and regional areas.⁴⁰

The vast majority of organisations that make up NSW's social sector are small to medium in size, with less than 20 employees and annual revenue under \$5 million.⁴¹ They rely on small-value, short-term government grants, a low-paid female workforce, a large contingent of volunteers (performing 1.7 million hours of unpaid work per week), and fundraising to address revenue shortfalls.⁴² Feedback from a 2022 survey of 560 NSW sector employees highlighted burnout and stress, better pay and conditions elsewhere and job insecurity as barriers to attracting and retaining staff. ⁴³

These issues threaten the viability of the sector. The NSW Government has the levers to turn this situation around through longer term contracts, greater certainty of funding and other straightforward measures that would improve conditions for this predominantly female workforce.

References

- Institute of Public Policy and Governance, University of Technology (2022), *Tough Times, Hard Choices struggling households and the rising cost of living in NSW*, Sydney
- 2 Institute of Public Policy and Governance, University of Technology (2022), Ibid
- Australian Institute of Health and Welfare (2022), Oral health and dental care in Australia, Hospitalisations Australian Institute of Health and Welfare. https://www.aihw.gov.au/reports/dental-oral-health/oral-health-and-dental-care-in-australia/contents/hospitalisations
- 4 Australian Institute of Health and Welfare (2022), *Oral health and dental care in Australia* https://www.aihw.gov.au/reports/dental-oral-health/oral-health-and-dental-care-in-australia/contents/introduction
- NSW Council of Social Service (2020), Mapping Patient Experience and Economic Disadvantage in NSW. https://www.ncoss.org.au/wp-content/uploads/2020/09/Online-Mapping-Patient-Experience-and-Economic-Disadvantage-in-New-South-Wales-report-2.pdf
- 6 NSW Health (2022), NSW public dental service data. https://www.health.nsw.gov.au/oralhealth/Pages/public-dental-care-waiting.aspx
- 7 Combined Pensioners & Superannuants Association (2022), *The biggest dental deserts*. https://cpsa.org.au/article/the-biggest-dental-deserts/?mc_cid=15a36e24e1&mc_eid=8401d56289
- 8 Health Consumers NSW (2020), Consumer stories of patient experience and economic disadvantage in NSW, Sydney
- 9 Combined Pensioners & Superannuants Association (2022), Op.Cit
- 10 Combined Pensioners & Superannuants Association (2022), Ibid
- Australian Institute of Health and Welfare (2022) https://www.aihw.gov.au/reports/dental-oral-health/oral-health-and-dental-care-in-australia/contents/introduction
- 12 Tenants Union NSW (2022), Census 2021: renters are the fastest growing tenure in Australia. https://www.tenants.org.au/blog/census-21-renters-are-fastest-growing-tenure-australia
- 13 Impact Economics and Policy (2022), Aftershock Addressing the social and economic costs of the pandemic and natural disasters. Report Three Housing Insecurity, Sydney
- 14 Change to Impact Economics and Policy (2022), Ibid
- 15 Institute of Public Policy and Governance, University of Technology (2022), Op.Cit
- 16 Impact Economics and Policy and Governance, University of Technology (2022), Op.Cit
- 17 Institute of Public Policy and Governance, University of Technology (2022), Op.Cit
- Department of Communities and Justice (2020), *Expected Waiting Times*. https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times
- 19 Australian Bureau of Statistics (2018), Census of Population and Housing: Estimating Homelessness. https://www.abs.gov.au/statistics/people/housing/census-population-and-housing-estimating-homelessness/latest-release
- 20 Equity Economics (2021), Rebuilding Women's Economic Security Investing in Social Housing in New South Wales, Sydney
- 21 Impact Economics and Policy (2022), Aftershock Addressing the social and economic costs of

the pandemic and natural disasters. Report Two - Domestic and Family Violence, Sydney

- 22 Equity Economics (2021), Op.Cit
- 23 Impact Economics and Policy (2022), Op.Cit
- 24 Impact Economics and Policy (2022), Ibid
- 25 Impact Economics and Policy (2022), Ibid
- NSW Department of Community and Justice (2022), Annual Statistical Report 2020-21 https://public.tableau.com/app/profile/dcj.statistics/viz/ASR2020-21summarydashboard_16481674309410/Coverpage
- 27 Impact Economics and Policy (2022), Op.Cit
- 28 Impact Economics and Policy (2022), Ibid
- 29 Koziol, M (2022), Average NSW pokes loss way above that of other states. Sydney Morning Herald. 5 September 2022 https://www.smh.com.au/national/average-nsw-pokies-loss-way-above-that-of-other-states-20220901-p5benb.html
- 30 NSW Department of Customer Service (2022), Six Monthly Gaming Machine Data. Latest Reports: January 2022 June 2022. https://www.liquorandgaming.nsw.gov.au/resources/gaming-machine-data
- 31 Australian Bureau of Statistics (2022) 2021 Census
- Hare, S (2020), What is the impact of cashless gaming on gambling behaviour and harm? Victorian Responsible Gambling Foundation, Melbourne
- 33 Equity Economics (2021), The Social Sector in NSW: Capitalising on the Potential for Growth, Sydney
- Rapeport, S and Ravindran, A (2021), *Industry Analysis: Health Care and Social Assistance*. National Skills Commission https://www.nationalskillscommission.gov.au/insights/health-care-and-social-assistance-industry-analysis
- 35 NCOSS & Impact Economics and Policy (2022), A Long Way to the Top: career opportunities and obstacles for women in the social services sector in NSW, Sydney
- 36 Australian Bureau of Statistics (2022) Op.Cit
- 37 Impact Economics and Policy (2022), Op.Cit
- 38 Equity Economics (2021), Op.Cit
- 39 Thompson, A (2022), *Aged care workers to get 15 per cent pay rise.* Sydney Morning Herald. 4 November 2022 https://www.smh.com.au/politics/federal/aged-care-workers-to-get-15-per-cent-pay-rise-20221104-p5bvol.html
- 40 Rapeport, S and Ravindran, A (2021), Op.Cit
- 41 Equity Economics (2021), Op. Cit
- 42 Ask Insight (2022), The High Cost of Doing Business: Administrative and management overload in smaller NGOs, a report prepared for NCOSS, Sydney
- 43 Impact Economics and Policy (2022), Op.Cit





NSW Council of Social Service

Phone: (02) 9211 2599 Email: info@ncoss.org.au Gadigal Country Yirranma Place, Level 1, 262 Liverpool St, Darlinghurst

www.ncoss.org.au









