

20 December 2019

The Hon Michael Sukkar MP
Assistant Minister for Treasury

Submitted: online

Dear Minister

Budget 2020-2021 – public consultation – pre-Budget submissions

Thank you for the opportunity to make a submission on priorities for the 2020-2021 Federal Budget.

The work of Relationships Australia

Relationships Australia is a federation of community-based, not-for-profit organisations with no religious affiliations. Our services are for all members of the community, regardless of religious belief, age, gender, sexual orientation, lifestyle choice, cultural background or economic circumstances.

Relationships Australia provides a range of family services to Australian families, including counselling, dispute resolution, children's services, services for victims and perpetrators of family violence, services for older people, and relationship and professional education. We aim to support all people in Australia to live with positive and respectful relationships, and believe that people have the capacity to change how they relate to others.

Relationships Australia has provided family relationships services for over 70 years. Our State and Territory organisations, along with our consortium partners, operate around one third of the 65 Family Relationship Centres (FRCs) across the country. In addition, Relationships Australia Queensland operates the national Family Relationships Advice Line and the Telephone Dispute Resolution Service.

The core of our work is relationships – through our programs, we work with people to enhance not only family relationships, but also relationships with friends, colleagues, and across communities. Relationships Australia believes that violence, coercion, control and inequality are unacceptable.

We respect the rights of all people to live life fully within their families and communities with dignity and safety, and to enjoy healthy relationships. These principles underpin our work.

Relationships Australia is committed to:

- Working in rural, regional and remote areas, recognising that there are fewer resources available to people in these areas, and that they live with pressures, complexities and uncertainties not experienced by those living in cities.
- Collaboration. We work collectively with local and peak body organisations to deliver a spectrum of prevention, early and tertiary intervention programs across generations and with men, women, young people and children. We recognise that often a complex suite of supports (for example, family support programs, mental health services, gambling services, drug and alcohol services, and public housing) is needed by people affected by family violence and other complexities in relationships.
- Enriching family relationships, including providing support to parents, and encouraging good and respectful communication.
- Ensuring that social and financial disadvantage is not a barrier to accessing services.
- Contributing its practice evidence and skills to research projects, to the development of public policy and to the provision of effective supports to families.

This submission draws upon:

- our lengthy experience in delivering diverse programs
- evidence-based programs and research, and
- our leadership and policy development experience.

The Commonwealth funds Relationships Australia to deliver a range of support services. These funds are administered by the Department of Social Services and the Attorney-General's Department, through the Family and Relationship Services and Family Law Services programs. The priorities identified by Relationships Australia in this submission relate to these programs.

Key budget priority – Equal Remuneration Order Supplementation Payments

Since 2012, the Commonwealth has delivered additional funding on a range of grants in the community services sector in response to the Fair Work Commission's Equal Remuneration Order (ERO), made in respect of the Social, Community, Home Care and Disability Services Industry Award 2010 (SACS Modern Award). The ERO mandated increases to the award rate of between 23 and 45 per cent over a phase-in period, with the increase to be applied in full by 2020 and beyond.

Acknowledging the significant work of the sector in supporting vulnerable Australians, the Commonwealth demonstrated its commitment to the ERO by enshrining funding for SACS supplementation in the *Social and Community Services Pay Equity Act 2012*, which established a Special Account from which ERO Supplementation Payments are drawn. Despite the ongoing nature of the ERO itself, the Act, as drafted, will sunset on 30 June 2021, at which time payments into, and out of, the Special Account will cease.

As a result, a great number of government funded programs across the community services sector will cease to receive ERO Supplementation Payments from July 2021.

For each Relationships Australia state/territory organisation, the total quantum of ERO Supplementation Payment received has fluctuated based on calculations devised by the Commonwealth, as well as variations to the number of relevant programs offered and changes to the grant amounts from year to year.

An analysis of the ERO Supplementation Payments received by each Relationships Australia state/territory organisation reveals the financial impact of the cessation of ERO Supplementation Payments will result in a reduction of between ten and twenty-five percent of funding across affected programs. In dollar terms, this translates to between \$500,000 for some of the smaller states and territories and over \$2 million for others.

The consequence of these funding cuts will be felt primarily by those who can least afford it: vulnerable Australians who are most in need of the types of the holistic, wrap-around services that the sector delivers. The broad range of affected services include early intervention services for families and children, mental health services, domestic violence support and a range of other crucial, evidence-based supports. It is particularly likely that regional, rural and remote locations will be disproportionately affected as the funding cuts will diminish viability of outreach programs for these communities.

By way of example, in one state, a calculation of the impact, based on a conservative reduction of 9% across relevant programs, could see up to 2,000 clients turned away in a year, and the loss of as many as 18 full-time equivalent jobs.

It should be noted that a number of organisations are expecting a larger reduction (of up to 25%) which will therefore have an even greater impact on the ability of Australians to access vital services, including services relating to mental health and domestic violence.

This will lead to longer waitlists for services and the potential for clients to be denied timely access (or access at all) to crucial public health services. It is well accepted that these services allow for intervention and support at times of great vulnerability and need. Without these services there is a greater risk of Australians becoming trapped in unemployment, homelessness, poverty and welfare dependency while at the same time leading to growing demand on our courts and other social institutions, including acute care mental health services.

Evidence and research supports the suggestion that early-intervention, wrap-around services, such as those delivered by Relationships Australia in the affected programs, have a considerable positive impact on supporting mental health, addressing suicidality, and preserving safe and healthy relationships, which provide a firm foundation from which individuals and families are able to contribute to society.

We urge the Commonwealth, as a matter of utmost importance, to dedicate a specific appropriation in the forward estimates to fund an increase to base funding across impacted grant programs. The appropriation must take effect from 1 July 2021 and be sufficient to ensure that services are not impacted by the cessation of ERO Supplementation Payments at that time.

The inclusion of an amount commensurate to the ERO Supplementation Payments within base funding would ensure that funded programs have certainty and stability into the future, thereby

guaranteeing the ongoing delivery of services at the necessary levels, as we will be able to maintain staff and infrastructure.

Relationships Australia recognises that this would require the Commonwealth to dedicate additional funds for the 2021-2022 financial year and beyond, not currently provided for in the forward estimates. However, the impending funding cliff will have significant and ongoing impact and will result in far greater costs, across a broad range of government funded institutions, well beyond the funding needed to ensure a suitable level of preventative and early intervention service delivery in the community services sector into the future.

Priority funding areas for Family Law

Relationships Australia acknowledges the Commonwealth's focus on enhancing the family law system over the past year; noting, in particular:

- additional funding for Family Advocacy Support Services until 2022, and for mediation services to help families resolve property disputes
- work to establish small property lists in the family law courts from January 2020
- extensive work to prevent and respond to abuse of older people
- collaboration with States and Territories to facilitate child protection officials being embedded in the family law courts, as well as to develop a national information sharing network
- additional funding of the pilot of legally-assisted and culturally sensitive family dispute resolution services for Aboriginal and Torres Strait Islander, and culturally and linguistically diverse families experiencing family violence, and
- funding for Indigenous Family Law Liaison Officers in the family law courts.

Some of these were priorities which we raised with the Commonwealth in relation to the 2019-2020 Budget, and we welcome the Commonwealth's actions on these. Consistent with the findings made by the Australian Law Reform Commission in its final report on the family law system, and ongoing expressions of concern about that system's fitness for purpose, including the recently announced Joint Parliamentary Inquiry into Australia's Family Law System, Relationships Australia takes this opportunity to suggest funding priorities for the upcoming Federal Budget.

Children's Contact Services (administered through the Family Law Services Program)

Children's Contact Services are critical facilities that, when well-designed and resourced, support healthy relationships between children and their parents. Properly-resourced, they can offer support in response to a crisis (eg by providing supervised contact opportunities in circumstances of high family conflict) and, as families stabilise, support parents to (re-)establish healthy relationships with their children (eg with education and referrals to appropriate support services). There is general agreement among providers and users that existing CCSs are desperately underfunded. This severe shortfall:

- causes unacceptable delays in accessing services, often to the point of preventing parents from spending time with their children, despite the courts having ordered that contact be facilitated – this is a source of deep pain and frustration and undermines the courts
- prevents Commonwealth-funded CCSs from realising their full potential as enablers of healthy parenting, and
- incentivises the use of unsupervised providers of uncertain quality and safety.

We vigorously urge the Commonwealth, as a matter of urgency, to fund these services to not only provide timely supervised contact, but also to offer parenting education and other support services, as needed. This would better support, over time, reductions in services to families as parenting capability grows. Properly funded CCSs would:

- proactively transition families from high to lower need and, ultimately, to self-management, and
- offer longer-term support for higher needs families with complex needs (something not addressed by current CCSs operating as standalone services).

Relationships Australia recognises that this would involve considerable expenditure. However, the current pattern of spending money on short-term crisis responses is unsustainable, and only guarantees an ongoing need for recurrent spend. It deprives society of the opportunities to reap the benefits of healthy families and to enjoy the downstream savings delivered by lower expenditure on health and intergenerational social welfare dependency.

ALRC recommendations 57-60 (inclusive)

Relationships Australia looks forward to working with the Joint Select Committee on Australia's Family Law System. Pending the Committee's report in 2020, we consider that enhancements are urgently needed to expand the functions of the Family Advocacy and Support Services and Family Relationships Centres, as recommended by the Australian Law Reform Commission.

Abuse of older people – data collection and analysis

Relationships Australia notes that the Commonwealth has commissioned the Australian Institute of Family Studies to carry out a prevalence study into abuse of older people in the community. This will address a critical data gap and will be indispensable to the formulation of high quality service, law and policy responses. We would encourage Commonwealth to expand the study to explicitly include abuse of older people in residential aged care facilities, and to ensure that the study includes the experiences of people with cognitive impairment. The vast majority of data that is currently held about prevalence of abuse of older people has been collected using methodologies that explicitly *exclude* the experiences of people with cognitive impairment. The Office of the Public Advocate in Victoria has put forward a possible approach to undertaking an

inclusive prevalence study.¹ A more comprehensive prevalence study will complement the work of the Royal Commission into Aged Care Quality and Safety, and be of great value to the Commonwealth in its consideration of the Royal Commission's finding and recommendations.

Concluding remarks

Thank you again for the opportunity to make this pre-Budget submission. Should you require any clarification of any aspect of this submission, or would like further information on the services that Relationships Australia provides, please contact me or Dr Susan Cochrane, National Policy Manager, Relationships Australia, on (02) 6162 9301.

Yours sincerely,



Nick Tebbey
National Executive Officer

¹ Lois Bedson, *Are national elder abuse prevalence studies inclusive of the experiences of people with cognitive impairment? Findings and recommendations for future research*, Office of the Public Advocate, 2017.