



ACOSS Paper 161| 2010

Australian
Council of
Social Service

Australian Community Sector Survey

Report 2010
Volume 1 – National

First published in 2010 by the
Australian Council of Social Service

Locked Bag 4777
Strawberry Hills, NSW, 2012 Australia
Ph 02 9310 6200 Fax 02 9310 4822
Email: info@acoss.org.au
Website: www.acoss.org.au

ISSN: 1326 7124
ISBN: 0 85871 491 4

© Australian Council of Social Service, 2010.

This publication is copyright. Apart from fair dealing for the purpose of private study, research, criticism, or review, as permitted under the Copyright Act, no part may be reproduced by any process without written permission. Enquiries should be addressed to the Publications Officer, Australian Council of Social Service. Copies are available from the address above.

Table of Contents

Executive Summary	1
Key findings	2
Delivery	6
Methodology	7
National	12

Executive Summary

The *Australian Community Sector Survey 2010 Report* (ACSS) presents the findings of the Australian Community Sector Survey conducted in November and December of 2009. The report provides information on service provision, income, expenditure, and operational, policy, and workforce issues for the community services and welfare sector.

The ACSS is the only annual national survey collecting data about the non-government, non-profit community services and welfare sector. This sector 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 2010 was completed by 582 agencies which provided information about their activities over the financial year 2008-09, and, in some questions, with reference to the financial year 2007-08. No comparisons are made between the current survey and previous years' surveys. Any reference to the financial year 2007-08 is based on information provided in the 2008-09 survey.

Respondents to the ACSS provided data on their provision of the following services:

- Child welfare, child services, and day care (e.g. adoption services, child development centres, foster care, infant and child care centres)
- Disability services (e.g. transport facilities, recreation and other specialised services, excluding residential services)
- Domestic violence and sexual assault (e.g. shelters and services)
- Emergency & disaster relief (e.g. education, prevention, and control)
- Employment/training services (e.g. training programs, vocational counselling and guidance)
- Family services (e.g. family life/parent education, single parent agencies and services)
- Financial and material support (e.g. cash and other forms of direct services; provision of food, clothing, transport and other assistance)
- Health services (e.g. mental health and crisis intervention, public health and wellness education, rehabilitation, emergency, drug and alcohol services)
- Housing/homelessness services (e.g. crisis, short and long term accommodation)
- Information, advice and personal social services (e.g. telephone advice, support groups, personal, counselling and credit counselling/money management services)
- Legal services & advocacy (e.g. community legal centres, advocacy organisations promoting the interests of specific groups, civil and human rights, rehabilitation of offenders, victim support, and consumer protection)

- Migrant and refugee assistance (e.g. provision of food, clothing, shelter and services to refugees and immigrants)
- Residential aged care & nursing homes (e.g. inpatient care, primary health care; residential care for the elderly and nursing homes for the severely disabled)
- Services for the elderly (e.g. home services, transport facilities, recreation, meal programs and other services)
- Youth service and youth welfare services (e.g. youth centres, specific recreation, family planning, training and employment and counselling services for youth)
- Other services

Individual reports detailing data at the state/territory level are also available.

Overview of July 2008 – June 2009

The period between July 2008 and June 2009 saw the first impacts of the global financial crisis.

In February of 2009 the Federal Labor Government's \$42 billion economic stimulus package was passed in the Senate. Cash payments were made to eligible Australians, including people earning less than \$100,000 per year, and the recipients of some social security payments. Unemployed people were a notable exception to these stimulus payments.

In March of 2009, the Australian Bureau of Statistics released figures indicating that the economy had shrunk by 0.5%, its first quarter of negative growth in eight years¹. By June of 2009, however, many commentators were declaring that a technical recession, defined as two consecutive quarters of economic contraction, had been avoided². In the March quarter the economy had grown by 0.4 per cent³. Australia's favourable trade position and household consumption were considered to be the drivers of this growth.

Relative to other countries, Australia had avoided the worst impacts of the global recession. While figures did not rise as drastically as had been anticipated, by June 2009 the unemployment rate had increased to 5.8%. This was an increase of 39% in a year, and the highest rate in more than five years.

Aggregate figures about economic performance and employment rates can obscure the more complex impacts of the downturn. Those people already poorly positioned in the labour market during economically prosperous times face further barriers as the pool of jobs shrinks and the number of newly unemployed people increases. In previous economic downturns long term unemployment has risen quickly, but taken many years to return to its pre-downturn level.

Between June 2008 and June 2009, the total number of Newstart Allowance and Youth Allowance (other) recipients increased 28.4% from 492,868 to 632,850⁴.

Adverse labour market conditions can also prompt an increase in claims for disability benefits as job seekers become discouraged or as long-term unemployment affects their health. The total number of Disability Support Pension recipients increased by 3.4% - from 732,367 June 2008 to 757,118 in June 2009⁵. This figure was 17,118 above the estimated increase for the same period.

During 2009, the Federal Government signalled its commitment to a number of important reforms and improvements to services directed at improving the lives of Australians on low incomes. These included a review of health and hospital services, with potential areas of focus including primary and oral healthcare and services for Indigenous Australians.

1 Australian Bureau of Statistics (2009) 5206.0 - Australian National Accounts: National Income, Expenditure and Product, Dec 2008

2 Murdoch, S (2009) 'Australia avoids recession as GDP grows in first quarter' *The Australian* 3 June 2009

3 Australian Bureau of Statistics (2009) 5206.0 - Australian National Accounts: National Income, Expenditure and Product, Mar 2009

4 Department of Education, Employment and Workplace Relations (2009) Labour Market and Related Payments: a monthly profile, June 2009

5 Department of Families, Housing, Community Services and Indigenous Affairs (2009) *FaHCSIA Annual Report 2008-2009*

The Pension Review report conducted by Department of Families and Housing, Community Services and Indigenous Affairs Secretary Dr Jeff Harmer was completed in February 2009. The Review signaled major areas of need including affordable housing and pension increases. The 2009-2010 Federal Budget delivered in some of these areas, with the treasurer announcing increases to the real rates of pension payments. While these were important improvements in payment rates, they were not uniform: the Parenting Payment Single pension and the Newstart Allowance were excluded from these payment increases.

ABS figures suggest that Australia is experiencing a shortage of an estimated 251,000 affordable dwellings for low income Australians⁶. Over the decade from 1995 to 2006, Australia experienced a decline in public housing stock of approximately 25,000 dwellings, offset only in part by some increase in community housing⁷. This has led to lengthy, though tightly targeted, public housing waiting lists (at approximately 180,000 people)⁸. The 2006 Census figures recorded 105,000 Australians homeless on any given night⁹.

Substantial additional investment has been directed to affordable housing programs under the Nation Building Stimulus Plan (\$6.4 billion) and the National Affordable Housing Agreement (\$400 million). The implementation of a number of new housing programs has progressed including the National Rental Affordability Scheme, the Homelessness White Paper and the Housing Affordability Fund.

The Government has made some ambitious commitments to reduce homelessness and offer accommodation to all 'rough sleepers' by 2020 in its Homelessness White Paper, *The Road Home*. This has been supported by funding of \$800 million over 5 years. Continued investment in housing stock, as well as ongoing operational funding to provide support to tenants, will be a crucial factor in achieving the Commonwealth's goals around reducing homelessness, its efforts to alleviate the housing stress that affects more than a million low-income Australians and its reform agenda to develop a more diverse social housing sector in which there is greater transparency and contestability. The Government itself has noted that the anticipated increase in public and community housing from the stimulus package is about half of what is needed in order to meet the 2020 homelessness targets.¹⁰

Key findings

Demand for services

In 2008-09 respondent organisations provided services on 4.3 million occasions, a 4% increase on the 4.1 million instances of service provision in 2007-2008.

6 National Housing Supply Council (2009) 'State of Supply' report, p vxii and 98.

7 Australian Institute of Health and Welfare, *Australia's Welfare 2007*, at 237.

8 Australian Institute of Health and Welfare, *Public Rental Housing 2006-07: Commonwealth State Housing Agreement national data report*

9 Australian Bureau of Statistics, 'Counting the Homeless 2006'.

10 Prime Minister, House of Representatives Hansard, Tuesday 3 February, pg 11-12.

In 2008-09 respondent agencies turned away people who were eligible for their services on 263,992 occasions. This is the equivalent of people being turned away on one in 16 occasions. Of people turned away, 44% were seeking *youth and youth welfare services*, and 35% were seeking *financial and material support*.

When asked if their organisation was able to meet demand for services, 57% of respondents disagreed.

Housing and homelessness supports and *financial and material support* were identified as the additional services and supports most needed by the clients of community service and welfare agencies.

The survey confirms the particular importance of community and welfare services to low income and disadvantaged groups. Single parents are nearly 12 times more likely to access community services than their representation in the community would suggest. Indigenous people are 6.5 times more likely to access community and welfare services than their representation in the general community would suggest. Recipients of all kinds of social security payments are overrepresented as service users.

This survey collects data from the 2008-09 financial year, and begins to illustrate the effects of the global financial crisis. With organisations already reporting stretched resources and increasingly unmet demand for services, increased unemployment alone is likely to see organisations' capacity to meet this demand significantly compromised.

Delivery

Workforce

In 2008-09 respondent organisations employed 15,908 Full Time Equivalent (FTE) paid staff, and engaged 8,905 volunteers (FTE).

There was a net increase of 1290 Full Time Equivalent (FTE) employees working in respondent organisations during 2008-09. This represents an increase of 8% on the total number of paid staff.

Seventy-one percent of respondent agencies indicated that salaries made attracting and retaining staff more difficult.

Income and expenditure

Matching resources to demand remains the fundamental challenge facing sector organisations. Eighty per cent of respondents disagreed with the statement that *Government funding covers the true cost of delivering contracted services*. Only 11% expressed the view that funding was adequate, and 9% neither agreed nor disagreed.

Methodology

This survey examines changes in the operating environment of community services and welfare organisations between 2007-08 and 2008-09, as well as gathering information about the size and type of services in the community services and welfare sector. No comparisons are made between surveys from different years.¹¹

Member organisations in the *Council of Social Service* network were emailed information about the survey, and a link to a website where they could complete it. Organisations were also asked to forward the information to other eligible organisations.

Reminders about the survey closing date were sent out by *ACOSS* and the state/territory Councils. State and Territory Councils contacted member organisations to encourage them to complete the survey.

The ACSS 2010 was completed by 582 organisations that provided information about their activities over the financial years 2007-08 and 2008-09. The year-on-year comparisons in this report refer only to the information collected from this survey.

As all questions in the survey are voluntary, not all organisations completed every question. Therefore some questions have a lower response rate than others.

It should be noted that figures may not always add to totals due to rounding.

Table 1.1: Survey returns by State/Territory

State/Territory	Number of responses	Percentage of total respondents
Australian Capital Territory	37	6%
New South Wales	152	26%
Northern Territory	33	6%
Queensland	126	22%
South Australia	38	7%
Tasmania	28	5%
Victoria	111	19%
Western Australia	57	10%
TOTAL	582	

Where possible and relevant, data was analysed with reference to State/Territory, location, and size of the respondent organisation.

Respondent organisations that completed *Question 23* indicating the sources and amounts of organisational income between July 2008 and June 2009 were categorised as: very small, small, medium, large, and very

¹¹ Respondents to the survey vary from year to year which makes direct comparisons with previous surveys of this kind misleading.

large organisations. The income ranges were selected so that approximately 20% of respondents fell into each category.

Table 1.2: Organisational size

Size category	Income range (per year)	Number of organisations	Percentage
Very small	<\$250,000	29	18%
Small	Between \$250,000 & \$500,000	35	21%
Medium	Between \$500,000 & \$1,000,000	34	21%
Large	Between \$1,000,000 & \$3,500,000	35	21%
Very large	>\$3,500,000	32	19%
TOTAL		165	

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 *Not-for-profit Organisations, Australia, 2007-08*,¹² and *Australia's Welfare 2007*.¹³

The ACSS 2010 was completed by 582 agencies that provided information about their activities over the past two financial years, 2007-08 and 2008-09. Respondents to the ACSS were drawn from the membership of the State and Territory *Councils of Social Service* and *ACOSS*, and other organisations fitting the selection criteria.

The 2010 ACSS uses different organisational categories from previous years' surveys. These were amended to more closely align with the *International Classification of Non-Profit Organisations* (ICNPO) recommended in the *United Nations Handbook on Non-Profit Institutions*, and used by the *Australian Bureau of Statistics*.

The categories of services provided are as follows:

- Child welfare, child services, and day care (e.g. adoption services, child development centres, foster care, infant and child care centres)
- Disability services (e.g. transport facilities, recreation and other specialised services, excluding residential services)
- Domestic violence and sexual assault (e.g. shelters and services)
- Emergency & disaster relief (e.g. education, prevention, and control)
- Employment/training services (e.g. training programs, vocational counselling and guidance)
- Family services (e.g. family life/parent education, single parent agencies and services)
- Financial and material support (e.g. cash and other forms of direct services; provision of food, clothing, transport and other assistance)
- Health services (e.g. mental health and crisis intervention, public health and wellness education, rehabilitation, emergency, drug and alcohol services)
- Housing/homelessness services (e.g. crisis, short and long term accommodation)
- Information, advice and personal social services (e.g. telephone advice, support groups, personal, counselling and credit counselling/money management services)
- Legal services & advocacy (e.g. community legal centres, advocacy organisations promoting the interests of specific groups, civil and human rights, rehabilitation of offenders, victim support, and consumer protection)
- Migrant and refugee assistance (e.g. provision of food, clothing, shelter and services to refugees and immigrants)

¹² Australian Bureau of Statistics (ABS) (2008), *Not-for-profit Organisations, Australia, 2007-08*, ABS Catalogue No. 8106.0

¹³ Australian Institute of Health and Welfare, *Australia's Welfare 2009*, Canberra, 2009

- Residential aged care & nursing homes (e.g. inpatient care, primary health care; residential care for the elderly and nursing homes for the severely disabled)
- Services for the elderly (e.g. home services, transport facilities, recreation, meal programs and other services)
- Youth service and youth welfare services (e.g. youth centres, specific recreation, family planning, training and employment and counselling services for youth)
- Other 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.

Size and scope of sector

Although it is not possible to compare the results of the ACSS 2010 with other surveys because the surveyed populations and time frames are different, some information from *Not-for-profit Organisations and Australia's Welfare 2007* is provided here as context for the results of the ACSS.

Size of Sector

At the end of June 2007, there were 5,804 not-for-profit social services organisations in Australia.¹⁴

ABS data from 2001 indicates that while the number of Government organisations had remained virtually the same since June 1996, the number of 'for-profit' and 'not-for-profit' organisations had increased by 32% and 10% respectively.¹⁵

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%.

¹⁶

Workforce

¹⁴ ABS (2008)

¹⁵ Australian Bureau of Statistics (ABS) (2001), *Community Services Australia*, ABS Catalogue No. 8696.0

¹⁶ AIHW (2007) *Australia's Welfare 2007*, p 324.

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.¹⁷ This translates to 1,403 FTE community service workers per 100,000 population in Australia.¹⁸

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.¹⁹

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

¹⁷ Ibid at p.331.

¹⁸ Ibid at p.333.

¹⁹ Ibid at p.333.

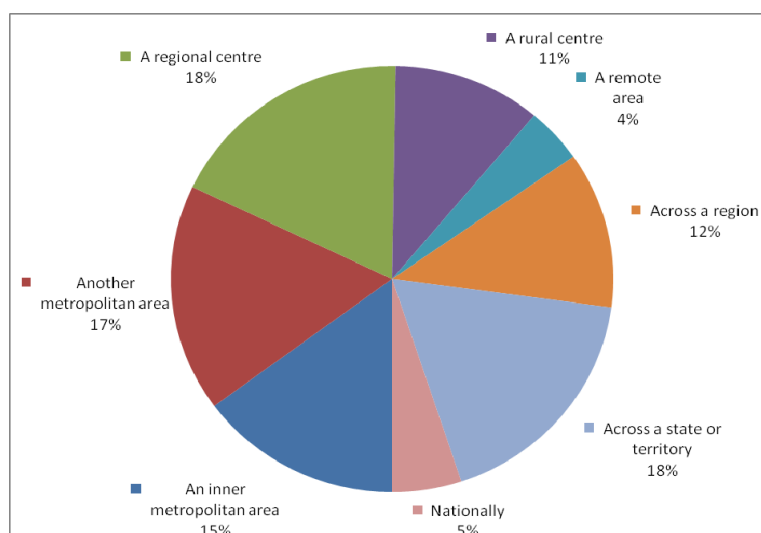
National Survey results

Demand

Service coverage

Organisations operating across a state or territory made up 18% of all respondents. A similar number of organisations operated in a regional centre (18%) in an inner metropolitan area (15%) or another metropolitan area (17%). Five per cent of organisations operated nationally, 11% in a rural centre, and 4% in a remote area.

Figure 1.1



Service users

As Table 1.3 shows, specific groups within the Australian population are over-represented as users of community and welfare services.

Table 1.3: Service users by population group

Population group	Population group as a percentage of the Australian population	Population group as a percentage of service users	Ratio of column one to column two
People with a disability	20% ²⁰	29%	1.5
Indigenous	2.3% ²¹	15%	6.5
Jobless	34.5% ²²	51%	1.5
Culturally and linguistically diverse background	21% ²³	21%	1.0
Single parents	2.4% ²⁴	28%	11.7
Women	50% ²⁵	62%	1.2
Not Australian citizens	4.6% ²⁶	8%	1.7

The overrepresentation of almost every population group listed in Table 1.3 is an indication of the importance of community and welfare services in the lives of low income and disadvantaged groups within the community.

Single parents are 11.7 times more likely to use community and welfare services than their representation in the general community would suggest. Compared with other family types, single parent families are considered to be in greater need of support services in areas such as income, housing, employment, and social participation²⁷. Government pensions and allowances were the principal source of income for 61% of single parent families, the majority of which are headed by women (87%)²⁸. As the number of single parent households continues to increase, a greater number of children are likely to spend at least some of their childhood in a single parent household, and many parents will experience sole parenting.

Indigenous people are 6.5 times more likely to use community and welfare services than their representation in the general community would suggest. The health and welfare outcomes for Indigenous Australians continue to be lower than that of non-Indigenous Australians. For example, Indigenous Australians are more than twice as likely as non-Indigenous Australians to need help with core daily activities because of disability²⁹. Aboriginal and Torres Strait Islander people are over-represented in the homeless population, making up 9% of homeless people³⁰.

20 Australian Bureau of Statistics (ABS) (2003), *Disability, Ageing and Carers, Australia: Summary of Findings, 2003*, ABS Catalogue No. 4430.0

21 Australian Bureau of Statistics (ABS) (2006), 2006 Census of Population and Housing Australia, ABS Catalogue No. 2068.0

22 This figure is derived from the workforce participation rate reported in ABS, Labour Force, March 2009.

23 Proportion of people who speak a language other than English at home, derived from the ABS Census Quick Stats 2006

24 Derived from Australian Bureau of Statistics (ABS) (2007) *Australian Social Trends, 2007*, ABS Catalogue No. 4102.0

25 Australian Bureau of Statistics (ABS) (2006), 2006 Census of Population and Housing Australia, ABS Catalogue No. 2068.0

26 Derived from Australian Bureau of Statistics (ABS) (2006) *Year Book Australia 2006*, ABS Catalogue No. 1301.0

27 Australian Bureau of Statistics (ABS) (2007) *Australian Social Trends, 2007*, ABS Catalogue No. 4102.0

28 Ibid.

29 Australian Institute of Health and Welfare (AIHW) (2009) *Australia's Welfare 2009*, p. 12

30 Australian Bureau of Statistics (ABS) (2006) *Counting the homeless*

For many people accessing welfare and community services, social security payments are their primary source of income. Table 1.4 illustrates the average percentage of recipients of different allowances and pensions accessing services.

Table 1.4: Service users – income support recipients

Payment type	Percentage of recipients in the Australian population ³¹	Average percentage of service users	Ratio of representation in population to service users
Aged pension	10% ³²	19%	2.0
Parenting payment (Single)	2% ³³	26%	16.5
Carer payment (Adult & Child)	2% ³⁴	7%	3.5
Newstart allowance	3% ³⁵	19%	7.7
Youth allowance	2% ³⁶	14%	8.6
Other pension ³⁷	4% ³⁸	29%	8.1
Other allowance ³⁹	0.3% ⁴⁰	11%	31.9

As in Table 1.2, single parents are significantly overrepresented as services users.

The *other pension* category includes the Disability Support Pension.

As recipients of every social security payment listed are overrepresented, the importance of welfare and community services to low income people is again emphasised.

Other services and supports

Survey respondents were asked to identify which services or supports (other than those delivered by their organisation) people accessing their services needed but did not have adequate access to.

Housing and homelessness supports and financial and material support were identified as being a high or medium unmet need by 73% of respondents. Health services (70%) and information, advice and personal social services (68%) were also identified as being high or medium unmet need.

Figure 1.2: Services or supports people accessing community and welfare services need but do not currently have adequate access to – high and medium need

31 Data from June 2009

32 Department of Families, Housing, Community Services and Indigenous Affairs (2009) FaHCSIA Annual Report 2008-2009

33 Department of Work, Education, Employment and Workplace relations (DEEWR) (2009) DEEWR Annual Report 2008-2009

34 Department of Families, Housing, Community Services and Indigenous Affairs (2009) FaHCSIA Annual Report 2008-2009

35 Department of Work, Education, Employment and Workplace relations (DEEWR) (2009) DEEWR Annual Report 2008-2009

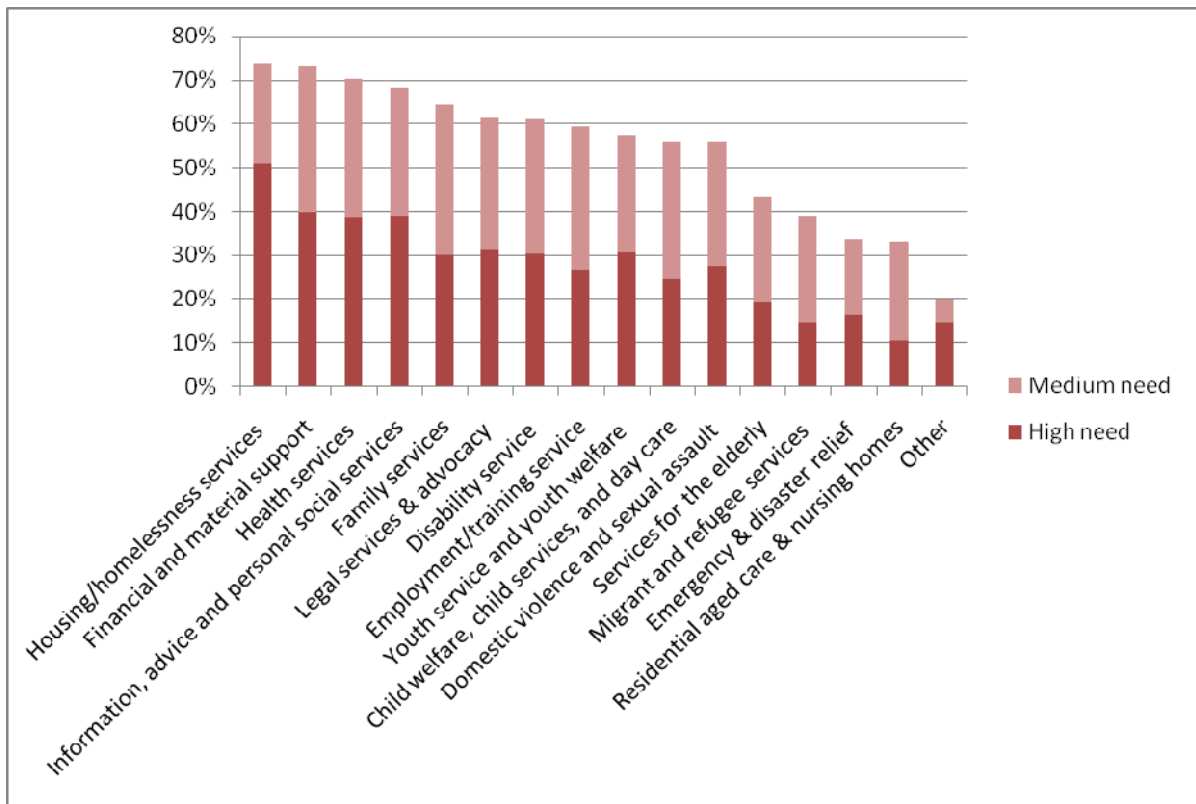
36 Ibid

37 (including the Disability Support Pension, Double Orphan Pension, Widow B Pension, Wife Pension (Age), and the Wife Pension (Disability Support Pension))

38 Department of Families, Housing, Community Services and Indigenous Affairs (2009) FaHCSIA Annual Report 2008-2009

39 (including the Widow, Partner, Mobility Allowance, and Sickness allowances)

40 Ibid



Demand for services

In 2008-09 respondent organisations provided services on 4.3 million occasions, a 4% increase on the 4.1 million instances of service provision in 2007-2008.

Table 1.4: Service provision 2008-2009 and 2007-2008

	2008-09	2007-08	Increase (%)
Child welfare, child services, and day care	229,961	212,326	8%
Disability services	1,597,927	1,595,931	0%
Domestic violence and sexual assault	35,486	32,959	8%
Emergency & disaster relief	5,676	5,527	3%
Employment/training services	408,952	368,846	11%
Family services	122,409	109,309	12%
Financial and material support	181,169	173,607	4%
Health services	209,866	189,542	11%
Housing/homelessness services	102,833	91,094	13%
Information, advice and personal social services	194,337	188,296	3%
Legal services & advocacy	194,884	191,003	2%
Migrant and refugee assistance	32,031	30,172	6%
Residential aged care & nursing homes	5,599	5,967	-6%
Services for the elderly	456,492	437,270	4%
Youth service and youth welfare services	520,198	500,827	4%

Other	77,092	61,135	26%
TOTAL	4,374,912	4,193,811	4%

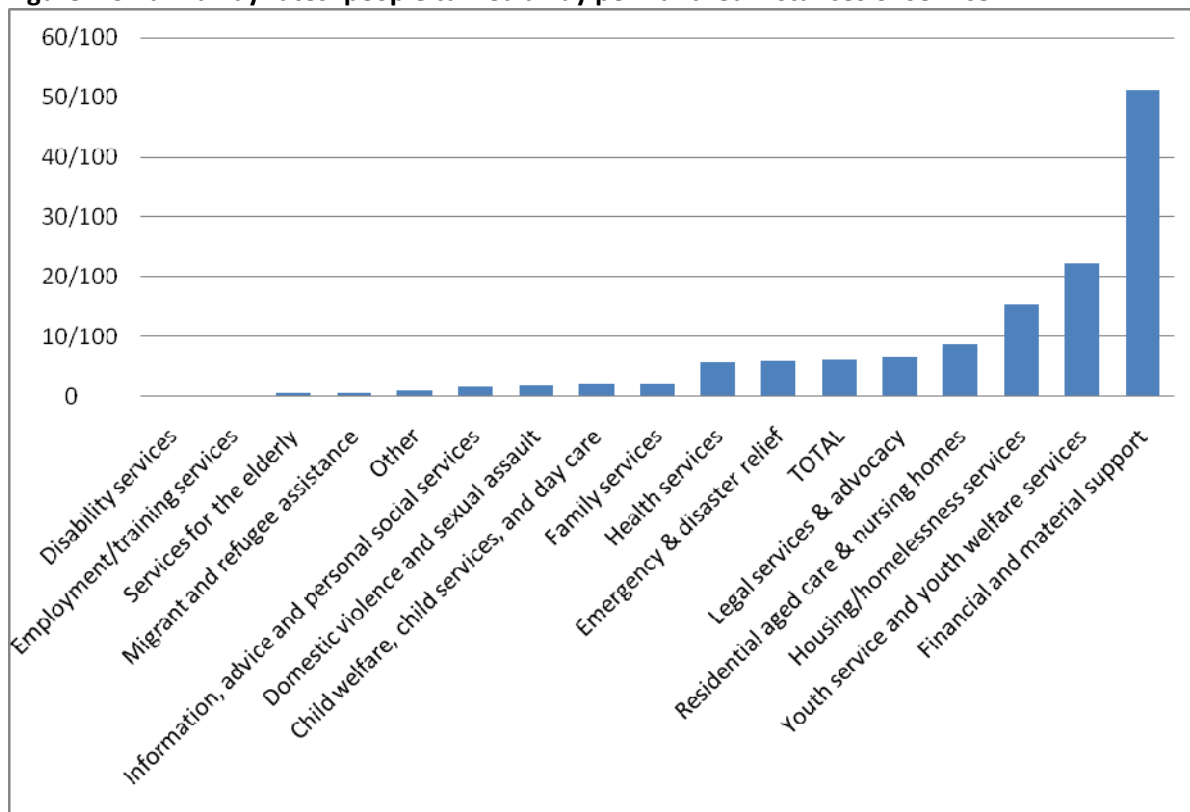
In 2008-09 respondent agencies turned away people who were eligible for their services on 263,992 occasions. This is the equivalent of people being turned away on one in 16 occasions. Of people turned away, the greatest proportion were seeking youth and youth welfare services (44%), and 35% were seeking financial and material support.

Financial and material support: the Hobart Benevolent Society

The Hobart Benevolent Society provides services and support to low income and disadvantaged people in and around Hobart. The provision of financial and material support makes up a large percentage of their work. For example, the Hobart Benevolent Society provides food vouchers, help with bills like electricity and telephone, help with prescription payments, and some items like food, blankets, and bus tickets.

In 2008-2009, the Hobart Benevolent Society faced increased demand, and had to turn away more people than ever before. Several factors contributed to this demand – a very cold winter meant increased electricity bills, and increased demand for food. Housing costs, once relatively affordable, put further pressure on already tight budgets. The global financial crisis, responsible for increased unemployment, also impacted on housing costs as investors turned to the housing market as a safer alternative to the financial market.

Figure 1.3 Turn away rates: people turned away per hundred instances of service



Aggregate turn away figures across all services declined 16% from the 313,822 times people were turned away by the same services in 2007-08. This decrease was driven primarily by the 40% decline in the number of people turned away from youth and youth welfare services. Many other services experienced significant increases in turn away rates.

Youth Services: Boystown

Boystown provides services to marginalised and disadvantaged children and young people across Australia. Their services include: an online and telephone counselling service; a range of work, vocational training and personal development programs that are integrated with jobs services to facilitate employment for young people disconnected from education and paid employment; domestic violence programs; and residential support programs for homeless families.

While they were still not able to meet all the demand for their services, Boystown turned away fewer people in 2008/2009 than they did in 2007/2008 because they received additional funding to provide more services. This increased funding was timely, as Boystown saw an increase in the complexity of issues faced by young people accessing their services during this time.

More young people seeking services had issues relating to mental health, self harm or suicidality. Eleven young people per day contact Boystown’s “Kids Helpline” to discuss suicide.

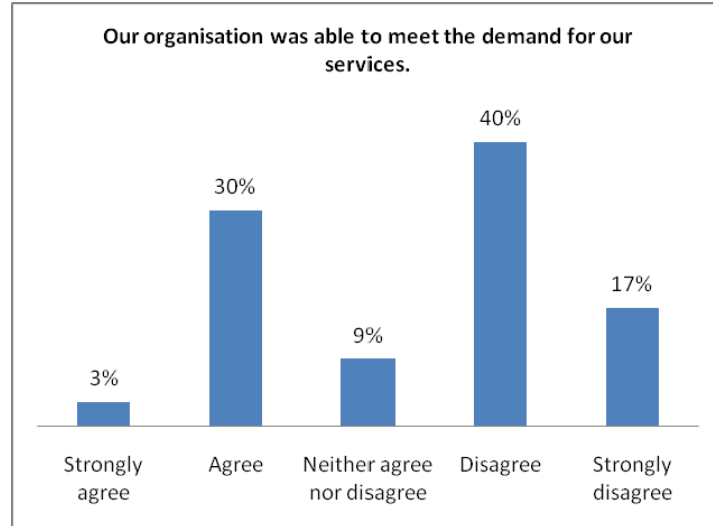
This increased complexity of issues impacted on service provision, and the skills required by staff. Staff required greater training, and interactions with young people accessing services in crisis needed to be more intensive.

Table 1.5 Turn away rates

	Number of times people were turned away 2008-09	Percentage as total turn away 2008-09	Number of times people were turned away 2007-08	Difference 2008-09 and 2007-08 %
Child welfare, child services, and day care	4,166		3,510	19%
Disability services	1,042		759	37%
Domestic violence and sexual assault	623	0.2%	535	16%
Emergency & disaster relief	329	0.1%	259	27%
Employment/training services	634	0.2%	679	-7%
Family services	2,225	0.8%	2,887	-23%
Financial and material support	92,862	35.2%	76,965	21%
Health services	11,566	4.4%	3073	276%
Housing/homelessness services	15,897	6.0%	13,945	14%
Information, advice and personal social services	2,894	1.1%	2,333	24%
Legal services & advocacy	12,765	4.8%	13,386	-5%
Migrant and refugee assistance	173	0.1%	149	16%
Residential aged care & nursing homes	490	0.2%	382	28%
Services for the elderly	1,896	0.7%	1,363	39%
Youth service and youth welfare services	115,685	43.8%	193,275	-40%
Other	675	0.3%	322	110%
TOTAL	263,922	100.0%	313,822	-16%

When asked if their organisation was able to meet demand for services, 57% of respondents disagreed (40%) or strongly disagreed (17%).

Figure 1.4



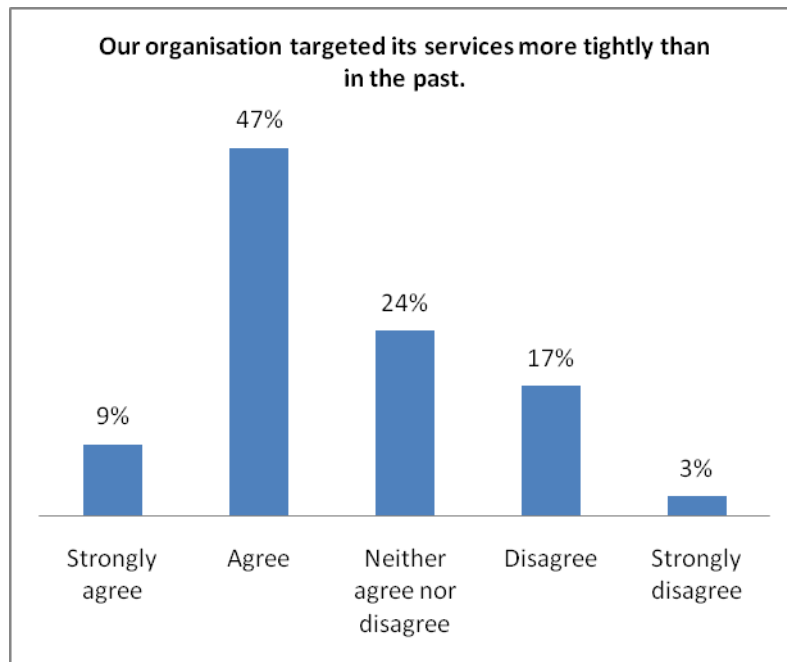
Service targeting

When demand for services outstrips the capacity to supply these services, many organisations will implement tighter targeting measures as a way of limiting this demand, and utilising constrained resources in the most equitable manner. Governmental policy, through funding and other arrangements, can also require that organisations target their services more narrowly.

With more tightly targeted service delivery aimed at rationing finite resources, many organisations will target according to need, and therefore experience increased complexity in service user needs. This increased complexity can have a significant impact on staff and organisational capacity if appropriate resources (for example, adequate funding, available time, appropriately skilled staff) are not made available.

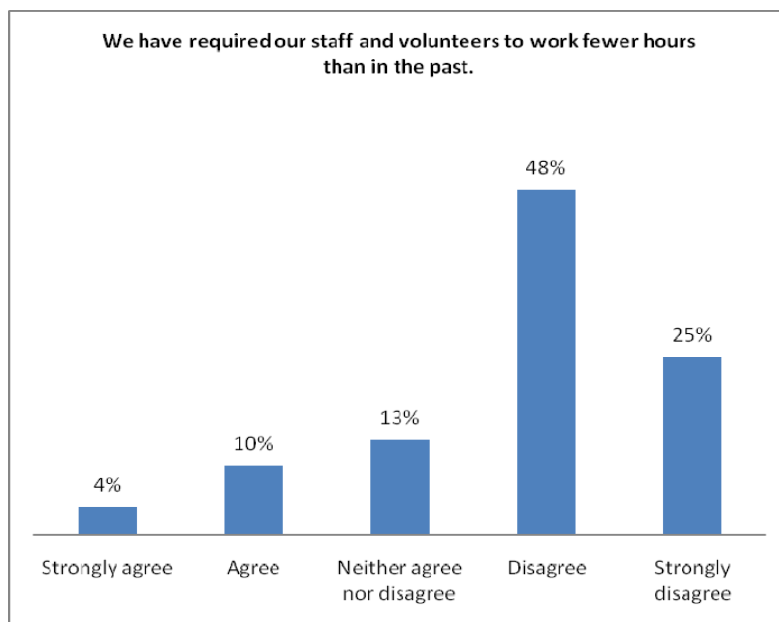
Any change in service targeting is, therefore, an important gauge of both demand for services, and organisational resources relative to this demand. When asked if their organisation had targeted services more tightly than in the past, 56% of respondents agreed or strongly agreed.

Figure 1.5



Organisations will often respond to increased demand and service delivery pressures by increasing the hours that their staff work. When asked if staff and volunteers had been required to work fewer hours than in the past, 73% of organisations disagreed (48%) or strongly disagreed (25%).

Figure 1.6



Delivery

Character of the workforce

Paid staff

In 2008-09 respondent organisations employed 15,908 paid staff (Full Time Equivalent), and engaged 8,905 volunteers (FTE).

There were 1909 volunteer board/ management committee members, and 77 paid board members. It is noteworthy that organisations of all sizes are governed primarily by volunteer boards.

Staff hiring and leaving

Respondent organisations reported that there was a net increase of 1290 Full Time Equivalent (FTE) employees working in respondent organisations during 2008-09. This represents an increase of 8% on the total number of paid staff.

Table 1.6: Staff hired and left 2008-09

	Hired (FTE)	Left (FTE)	Difference (FTE)
Administration	561	520	41
Communications/ Media	41	24	17
Finance	105	55	50
Management	373	291	82
Policy, research or advocacy	109	75	34
Service delivery	4458	3260	1198
Other high-skilled professional	57	41	16
Other	230	378	-148
Total	5934	4644	1290

Staff turnover

Staff turnover is a function of the number of staff leaving over the number of staff employed. In 2008-09, respondent agencies employed 5934 FTE staff and lost 4644 FTE staff. Average staff turnover across respondent agencies was therefore equivalent to 29%.

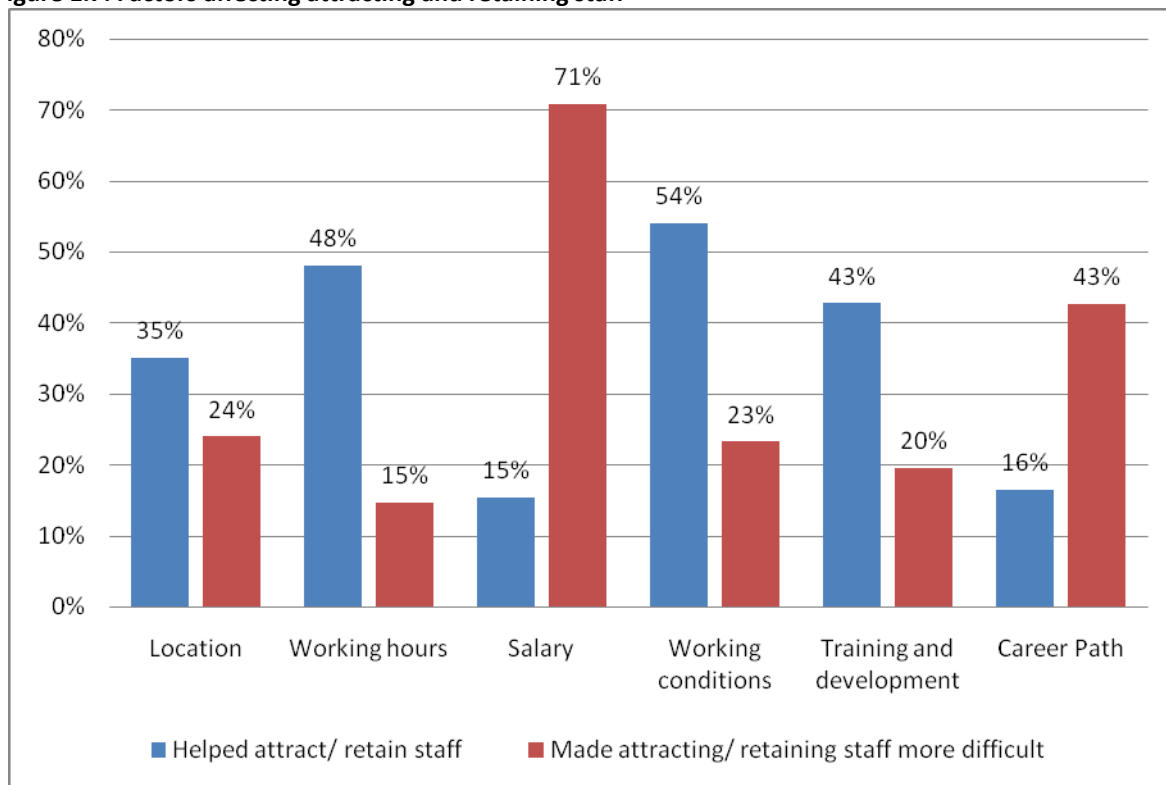
Increasing workloads

As noted earlier, in 2008-09 respondent agencies provided services to 4,374,912 people, which is an increase of 4% since 2007-08. Many respondent organisations reported increased service targeting (56%). The greatest percentage increase in staff across the sector was in service delivery (37%).

Attracting and retaining staff

Respondents were asked to indicate if a range of factors affected their organisation's ability to attract/ retain staff. Working hours and working conditions were the most frequently reported factors that helped attract or retain staff. Salaries were considered by 71% of organisations to make attracting/ retaining staff more difficult.

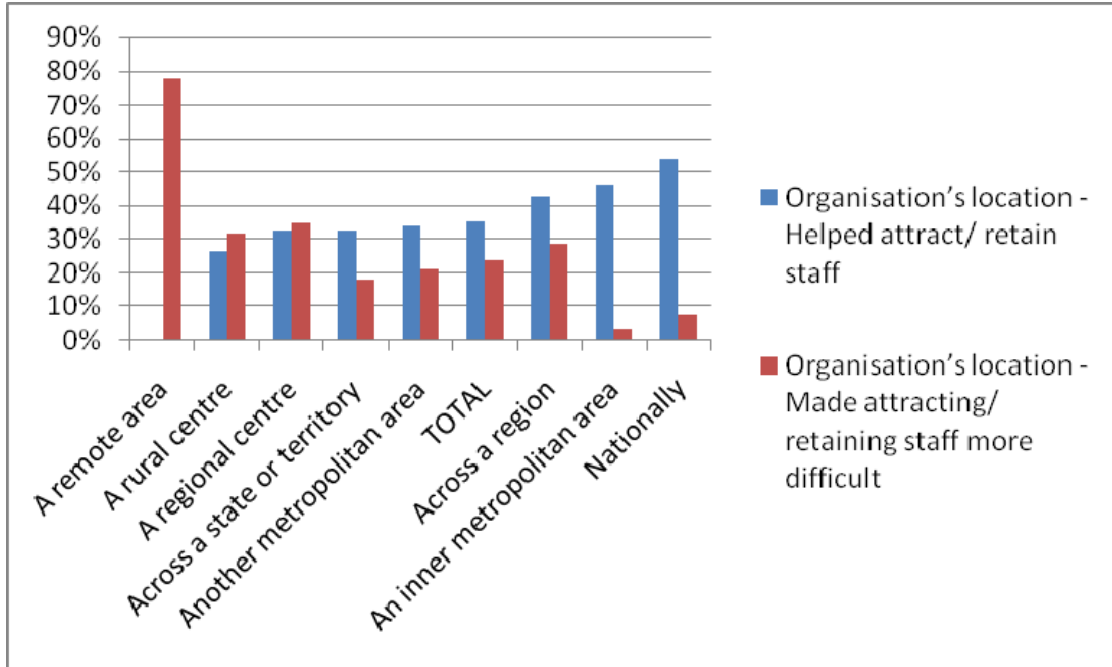
Figure 1.7: Factors affecting attracting and retaining staff



Location

While an average of 35% of respondents indicated that their organisation’s location helped attract and retain staff, there was great variation in responses from organisations from different areas. None of the organisations operating in a remote area reported that their location had helped attract or retain staff, while 78% indicated that the organisation’s location made attracting/retaining staff more difficult. The majority of organisations operating nationally indicated that their location was beneficial (54%) while 8% indicated that it made attracting and retaining staff more difficult.

Figure 1.8: location

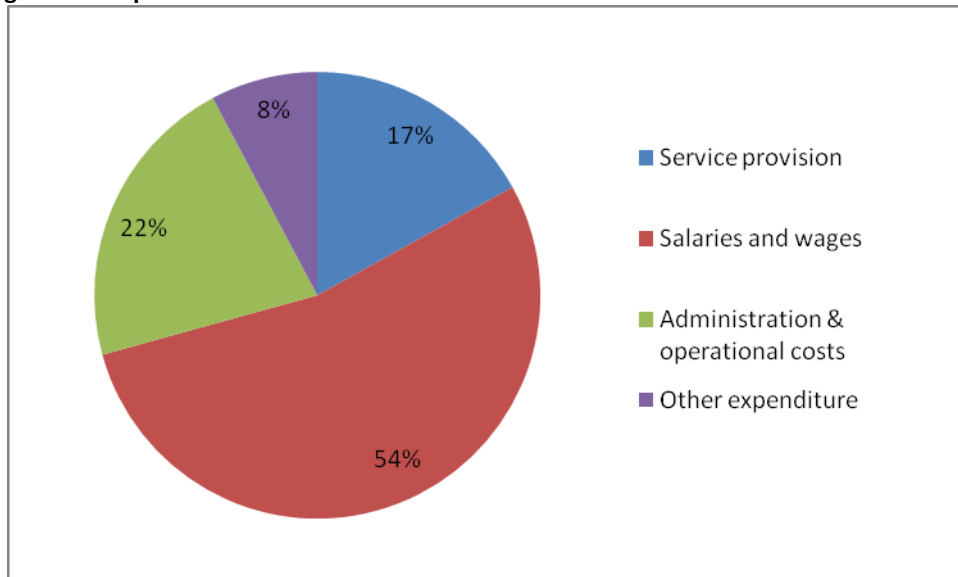


Income and Expenditure

Expenditure

Organisations were asked to provide details of their expenditure. Salaries and wages constituted the majority of expenditure (54%) while administrative and operational costs made up nearly a quarter of expenditure (22%).

Figure 1.9: Expenditure

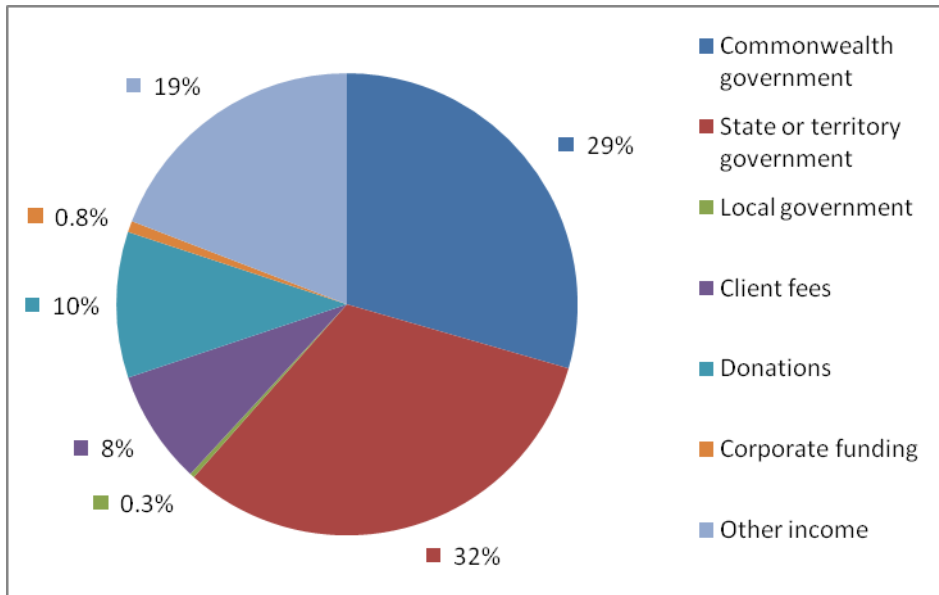


Income

In total dollar amounts, all respondents received on average 29% of income from the Commonwealth government, 32% from a State or Territory government, and 19% from other sources (for example from investments or sale of assets)⁴¹.

⁴¹ These are aggregate figures. The disaggregate figures contain considerable variance.

Figure 1.10: Sources of income



The majority of respondent organisations reported that their primary source of funding was their State/Territory government (40%) or the Commonwealth government (23%). While most organisations reported that their funding was ongoing/recurrent, this varied by funding source, with Commonwealth funding most likely to be ongoing/recurrent, and corporate funding least likely to be ongoing/recurrent (36%).

Table 1.7: Funding Sources

Funding source	Organisation's primary source of funding %	Funding is ongoing/recurrent %
Commonwealth Government	23%	72%
State/Territory Government	40%	80%
Local Government	6%	52%
Client Fees	10%	68%
Donations	10%	44%
Corporate	3%	36%
Other	8%	77%

Indexation

Organisations' funding, even when ongoing or recurrent, is not always consistently or adequately indexed to meet the annually increasing costs of service provision. The Consumer Price Index (CPI) increased by 4.5% in the survey period⁴². The Labour Price Index over the same period increased by 3.9%⁴³.

⁴² Australian Bureau of Statistics (ABS) Consumer Price Index, Australia, (ABS cat. no. 6401.0)

⁴³ Australian Bureau of Statistics (ABS) Labour Price Index, Australia, Jun 2009 (ABS cat. no. 6345.0)

However, respondent organisations reported that Commonwealth government funding was indexed, on average, at 1.8%. State and territory government funding was indexed at 2.9%, and local government funding was indexed at 0.5%. Almost a quarter of organisations (24%) reported that they received no indexation on their government funding.

Within these responses there was great variation, highlighting the inconsistent approach to indexing even between departments within the same government.

Sector capacity issues & relationships with government

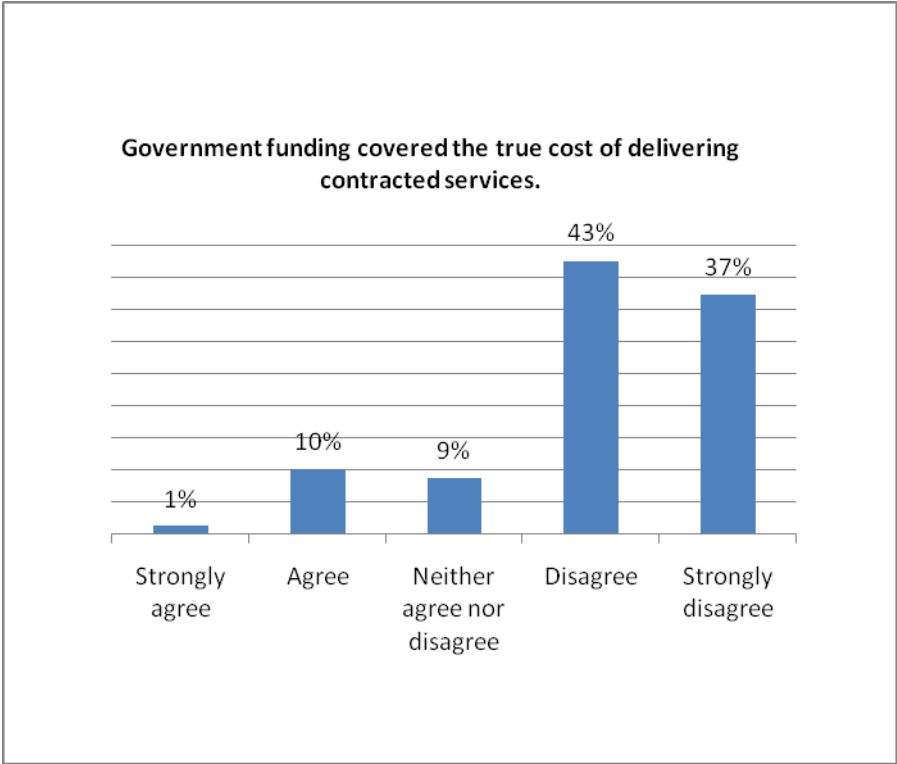
A number of other factors affect the viability of community sector organisations including the adequacy of funding levels and the effect of government contractual requirements, and the tax status of organisations.

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.

Government funding and contractual requirements

Eighty per cent of respondents disagreed with the statement that *Government funding covers the true cost of delivering contracted services*. Only 11% expressed the view that funding was adequate, and 9% neither agreed nor disagreed.

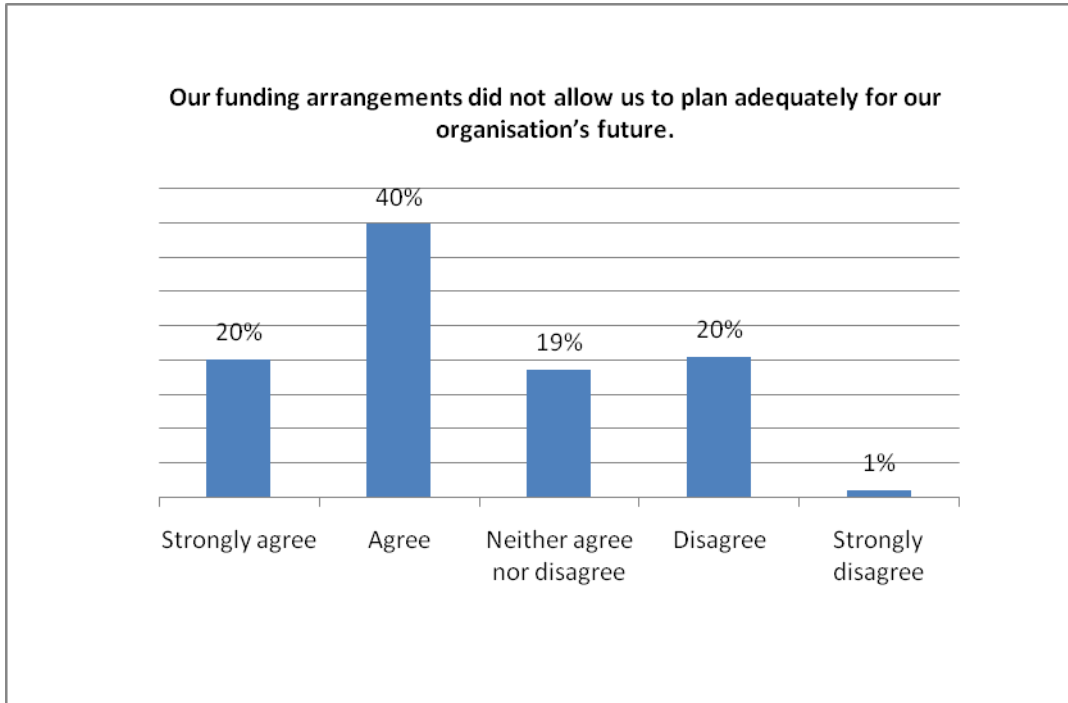
Figure 1.11: Adequacy of government funding: proportion agree/disagree with statement: 'Government funding covers the true cost of delivering contracted services'



As discussed above, 69% of organisations receive their primary source of funding from the Commonwealth, State/Territory, or Local Government. Twenty percent of respondents indicated that Federal funding is not ongoing or recurrent, 28% that State/Territory funding is not ongoing/recurrent, and 48% that Local government funding is not ongoing/recurrent.

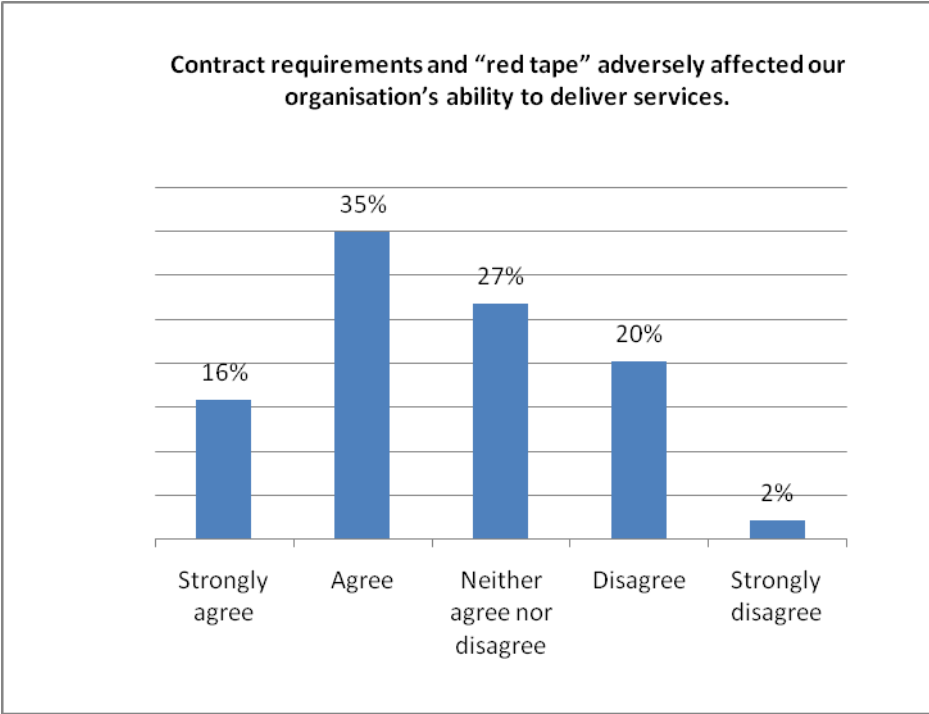
Many organisations are, therefore, subject to funding arrangements that do not guarantee recurrent or ongoing funding. This limits organisational capacity to plan adequately for the future, especially in terms of service provision and staffing. Sixty per cent of respondents agreed that *our funding agreements did not allow us to plan adequately for our organisation's future*.

Figure 1.12: our funding agreements did not allow us to plan adequately for our organisation's future



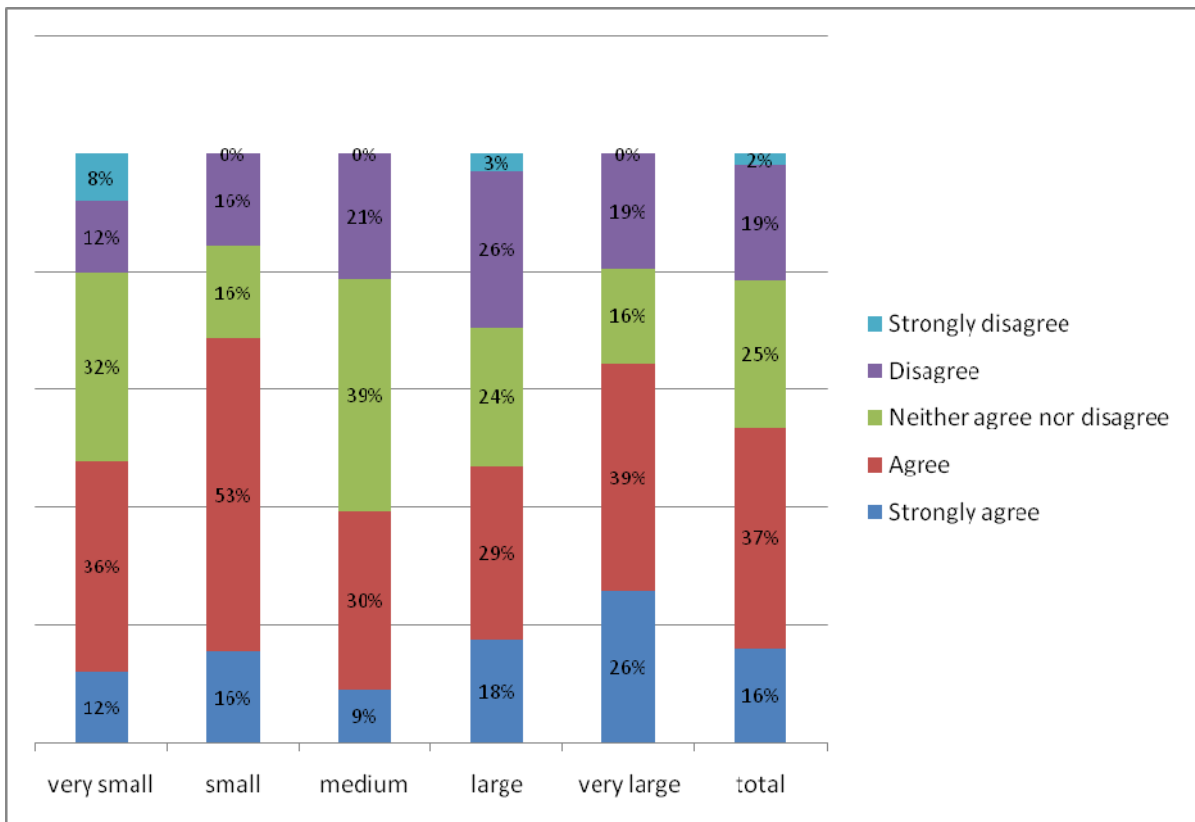
Government funders have an obligation to ensure that services delivered by welfare and community organisations are of a high quality and are a cost effective use of public funds. Contractual requirements made of service providers can, however, risk stipulating a disproportionately onerous level of reporting, or undermine the innovative potential of organisations. These risks are compounded for organisations receiving funding from multiple sources. Fifty-one percent of organisations agreed that *contract requirements and red tape adversely affected organisations' capacity to deliver services*.

Figure 1.13: Contract requirements and red tape adversely affected organisation's capacity to deliver services.



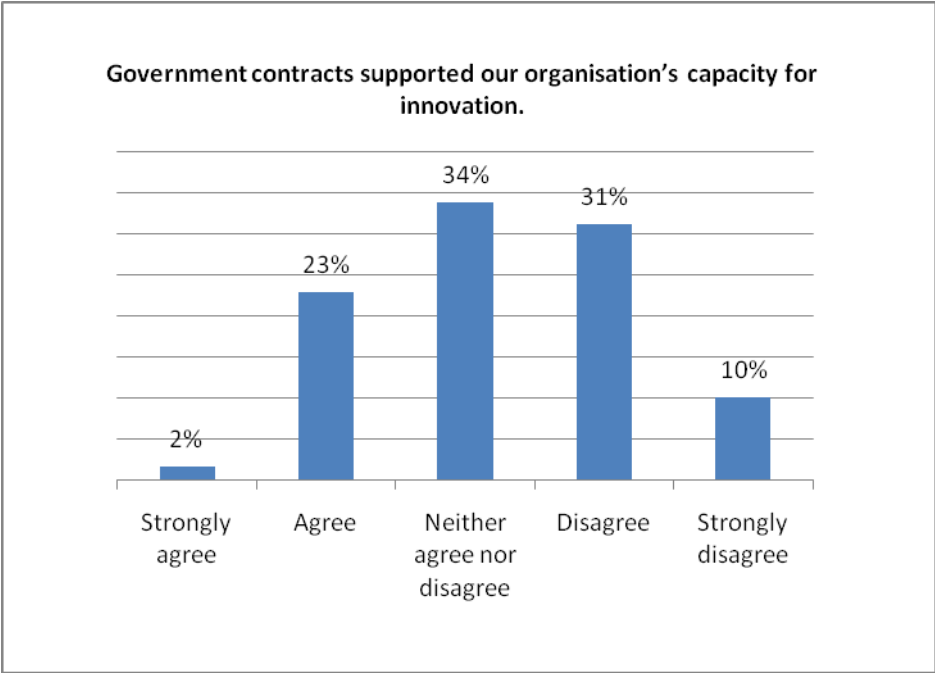
Medium-sized organisations were the least likely to agree or strongly agree with this statement (39%) while small organisations were the most likely to agree or strongly agree (69%).

Figure 1.13: Contract requirements and red tape adversely affected organisations’ capacity to deliver services (by organisational size).



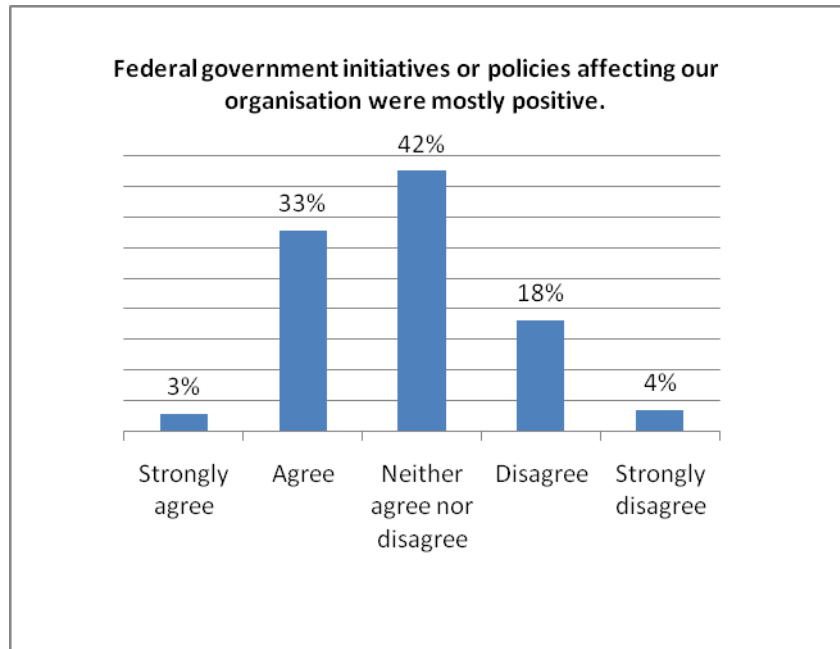
Forty-one percent of organisations disagreed that *government contracts supported our organisation's capacity for innovation*.

Figure 1.14 government contracts supported our organisation's capacity for innovation.



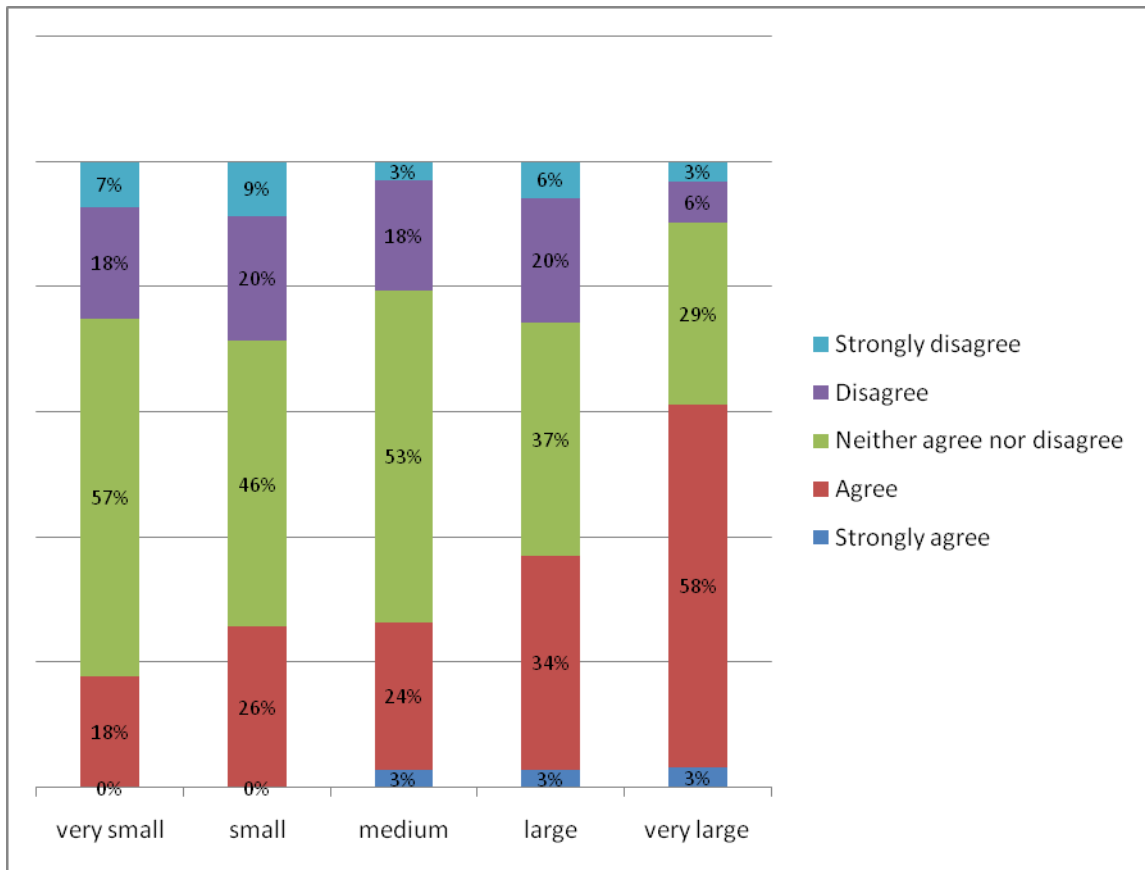
While 36% of all respondents agreed or strongly agreed that *Federal Government initiatives or policies affecting our organisation were mostly positive*, there were notable differences in the way organisations of different sizes responded.

Figure 1.15 Federal Government initiatives or policies affecting our organisation were mostly positive



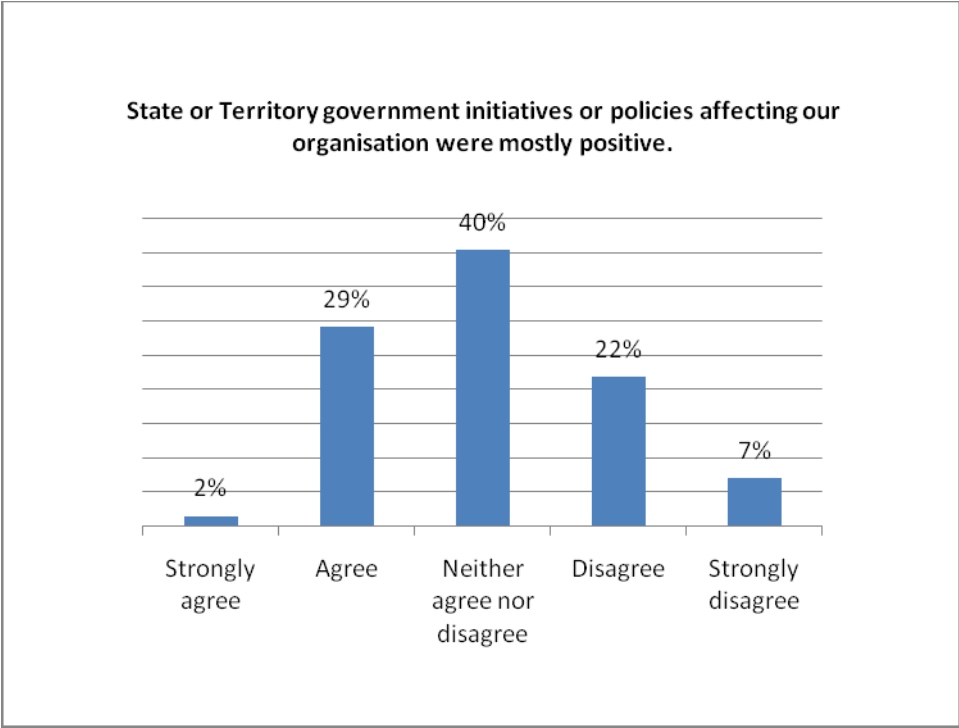
While only 18% of small organisations reported that they agreed with this statement, 61% of very large organisations agreed or strongly agreed.

Figure 1.16 Federal Government initiatives or policies affecting our organisation were mostly positive (by organisational size)



Thirty-one percent of organisations agreed or strongly agreed that *State or Territory government initiatives or policies affecting our organisation were mostly positive.*

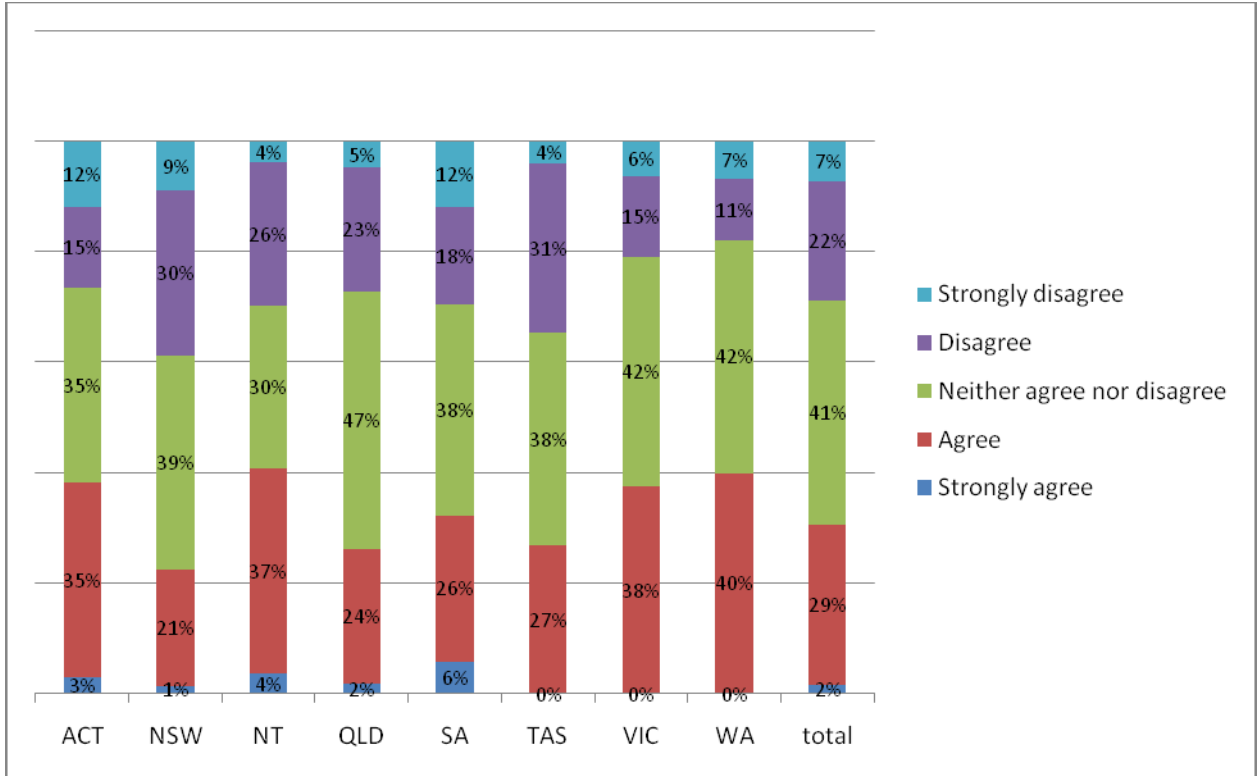
Figure 1.17: State or Territory government initiatives or policies affecting our organisation were mostly positive.



Organisations from New South Wales were least likely to agree with this statement (22%), while organisations from the Northern Territory were most likely to agree or strongly agree (41%).

Figure 1.18: State or Territory government initiatives or policies affecting our organisation were mostly positive (by

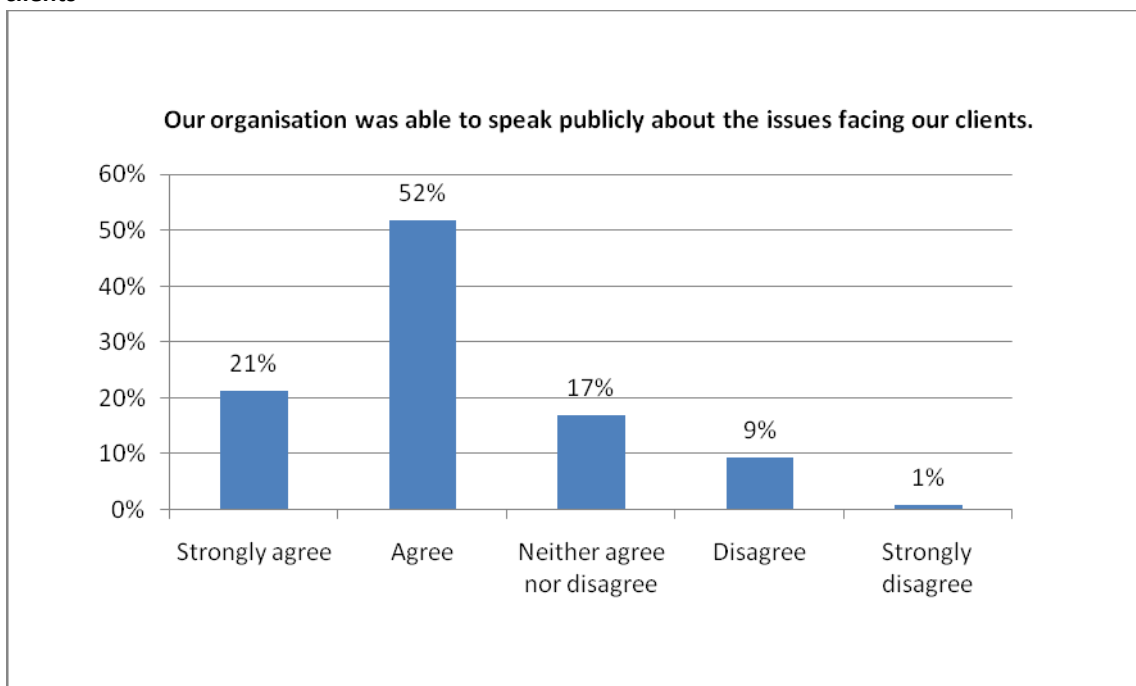
state/territory)



The advocacy role of community organisations

A majority of respondents (73%) indicated that they were able to speak publicly about issues affecting their clients. Only 9% disagreed and another 17% neither agreed nor disagreed.

Figure 1.19: Our organisation is able to speak publicly about the issues facing our clients



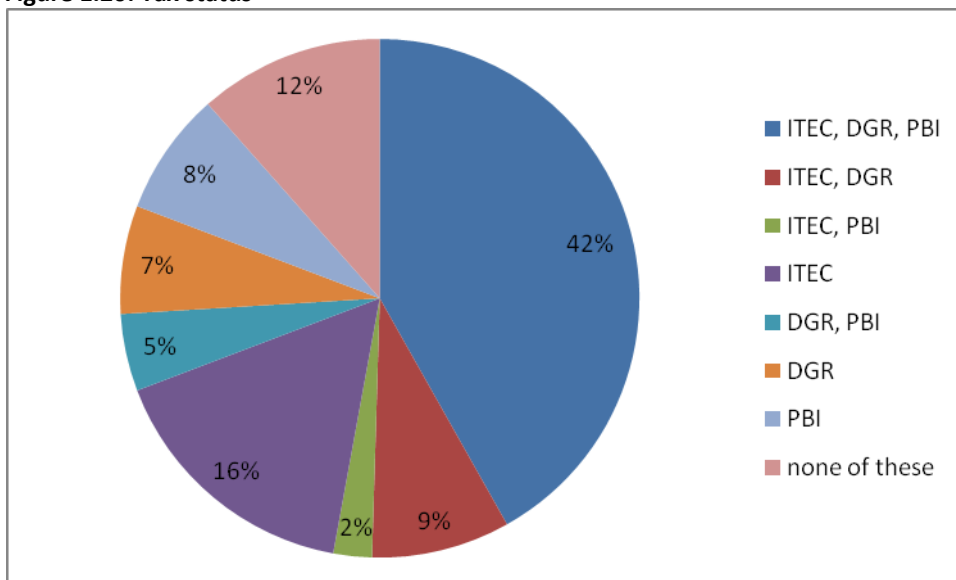
Tax Status

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.

Status as a Public Benevolent Institution (PBI) attracts particularly generous concessions, including exemptions from Fringe Benefits Tax (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.

Survey respondents were asked to indicate if they were an Income Tax Exempt Charity (ITEC), Deductible Gift Recipient (DGR), Public Benevolent Institution (PBI) or any combination of these. The largest percentage of respondents indicated that they had ITEC, DGR and PBI status.

Figure 1.20: Tax status



Proudly supported by



Australian Council of Social Service (ACOSS)
Level 2, 619 Elizabeth Street, Redfern NSW 2016
Locked Bag 4777, Strawberry Hills NSW 2012
Phone: 02 9310 6200 Fax: 02 931 0 4822
Email: info@acoss.org.au Internet: www.acoss.org.au