



Submission:

ACTCOSS ACT Budget Priorities 2022-23

Investing in housing, community services,
Aboriginal and/or Torres Strait Islander
self-determination and cost of living to ensure
wellbeing for all

May 2022

About ACTCOSS

ACTCOSS acknowledges Canberra has been built on the land of the Ngunnawal people. We pay respects to their Elders and recognise the strength and resilience of Aboriginal and/or Torres Strait Islander peoples. We celebrate Aboriginal and/or Torres Strait Islander cultures and ongoing contributions to the ACT community.

The ACT Council of Social Service Inc. (ACTCOSS) advocates for social justice in the ACT and represents not-for-profit community organisations.

ACTCOSS is a member of the nationwide COSS Network, made up of each of the state and territory Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS's vision is for Canberra to be a just, safe and sustainable community in which everyone has the opportunity for self-determination and a fair share of resources and services.

The membership of the Council includes the majority of community-based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

ACTCOSS advises that this document may be publicly distributed, including by placing a copy on our website.

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May 2022

ISBN 978-1-921651-79-3 (Word docx and PDF)
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Acronyms

ABS Australian Bureau of Statistics

ACAT ACT Civil and Administrative Tribunal

ACTCOSS ACT Council of Social Service Inc.

AHURI Australian Housing and Urban Research Institute

AIHW Australian Institute of Health and Welfare

AMC Alexander Maconochie Centre

ATOD alcohol, tobacco and other drug

ATODA Alcohol, Tobacco and Other Drug Association ACT

ATSIEB Aboriginal and Torres Strait Islander Elected Body

CASP Community Assistance and Support Program

CDNet Community Development Network for the ACT and Region

CHIA Community Housing Industry Association

CHPs community housing providers

CPI Consumer Price Index

CRA Commonwealth Rent Assistance

CYPS Child and Youth Protection Services

DFV domestic and family violence

DSP Disability Support Pension

DSS Department of Social Services

GDP gross domestic product

ICT information and communication technology

LFiT Large-scale Feed-in Tariff

LGBTIQA+ lesbian, gay, bisexual, transgender, gender diverse,

intersex, queer, asexual and questioning

NDIS National Disability Insurance Scheme

NPMs National Preventative Mechanisms (bodies established to

ensure ACT compliance with the OPCAT)

OOHC out-of-home care

OPCAT Optional Protocol to the Convention Against Torture

PAGA Parliamentary and Governing Agreement for 10th

Legislative Assembly

SLA Suburban Land Agency

Executive Summary

The ACT Council of Social Service (ACTCOSS) welcomes this opportunity to present community sector priorities for the 2022-23 ACT Budget. This submission has been developed through consultation with ACTCOSS members.

The mid-year Budget update showed significant economic recovery and outlined the prospect of sustained low unemployment and recovery as COVID-19 related restrictions start to lift. The fiscal outlook was cautiously optimistic, with projections of revenue providing the basis for ongoing government expenditure in key areas, and maintenance of the government's ability to borrow money at low rates leveraging the ACT's AAA credit rating. The sustained lack of federal investment in income support and social housing was noted as a key constraint, although the situation may improve after the 2022 Federal Election.

Although the ACT has the highest median income of any jurisdiction in Australia, there is significant disadvantage. ACTCOSS's latest <u>ACT Cost of Living Report</u> documents the widening gap between the well-off and those on low incomes and/or facing systemic disadvantage. In the ACT:

- Over 38,000 Canberrans are living below the poverty line, including 9,000 children¹
- The ACT has the highest rate of rental stress (73%) among lower income private rental households²
- Over 25,000 people who live in low-income households are experiencing food stress³
- Households in the lowest income quintile spend over 55% of their income on housing, food and transport and have been hit hardest by significant increases in prices⁴

¹ ACTCOSS, <u>2022 ACT Cost of Living Report</u>, ACTCOSS, Canberra, May 2022, accessed 13 May 2022.

² Productivity Commission, 'Table GA.3 Proportion of lower income private rental households paying more than 30 per cent of income on housing costs, by State and Territory' [data tables], <u>Report on Government Services 2021: G Housing and homelessness</u>, Productivity Commission, 2021, accessed 22 June 2021.

³ ACTCOSS, <u>Food security, food assistance and the affordability of healthy food in Canberra</u>, ACTCOSS, Canberra, May 2019, accessed 13 May 2022.

⁴ ABS, 'Table 12.3 Housing Costs as a Proportion of Gross Household Income, Selected household characteristics, States, and territories, 2017–18', <u>Housing Occupancy and Costs, 2017-18 financial year</u>, ABS, 2019, accessed 8 July 2021.

 Over two thirds (67%) of ACT community sector staff reported that levels of poverty and disadvantage have increased among the groups they support in the past year.⁵

Overall, the economy is strong and there is sufficient revenue to assist those who need additional social support and are being left behind. Investing in social support will also boost the economy as people on low incomes spend a high proportion of their income in local businesses and will encourage fuller economic participation and social connection. During the COVID-19 pandemic we saw poverty rates in Canberra plummet when income support rates were lifted, demonstrating that government action can address long-term poverty in our community.

The ACT Government must urgently address the growing housing crisis, support and enable the community sector to respond to increasing disadvantage caused by rising costs of living, and we must prioritise self-determination and community control for Aboriginal and/or Torres Strait Islander communities. As we approach the mid-point of the tenth Legislative Assembly, in October 2022, failure to address these issues will leave the government vulnerable to enhanced public scrutiny of its delivery against the commitments in the Parliamentary and Governing Agreement (PAGA).

This submission focuses on four key priorities:

1. Housing Crisis

Housing is the biggest cost of living pressure for low-income households. For most low-income households, the cost of purchasing a home is severely unaffordable, and the ACT has the highest rate of rental stress among lower income private rental households at 73%.⁶

Canberra is the least affordable city to rent in for young people working in retail and hospitality and/or receiving Youth Allowance⁷, and the least affordable capital city for key COVID-essential workers. Business, community and public sector leaders all report a growing inability to attract and retain staff to work in low and mid-level jobs due to cost-of-living pressures and mainly their inability to afford housing.

A key area where the government can make greater progress is to address the lack of affordable rental dwellings. The PAGA contains a commitment to provide

⁵ ACTCOSS, <u>2021 ACT Community Sector Demand Snapshot</u>, ACTCOSS, 2021, accessed 2 May 2022.

⁶ Productivity Commission, 'Table GA.3 Proportion of lower income private rental households paying more than 30 per cent of income on housing costs, by State and Territory' [data tables], <u>Report on Government Services 2021: G Housing and homelessness</u>, Productivity Commission, 2021, accessed 22 June 2021.

⁷ Everybody's Home, <u>Young Australians crunched by housing crisis</u>, Everybody's Home website, 20 April 2022, accessed 21 April 2022.

600 new affordable rentals, against a modelled need of 2,400.8 Community housing providers (CHPs) are experts in providing affordable rentals. Modelling undertaken by some Community Housing Industry Association (CHIA) ACT members found that the total 'cost to government' would be approximately \$100,000 to \$150,000 per affordable rental dwelling developed by a community housing provider.9 The CHPs would provide rentals at 74.9% of market value over at least twenty-year periods for the second income quintile. They can also contribute to the stock of social housing with additional subsidy. Clear direction is required to ensure restrictions on assigned plots are sufficient to produce valuations that allow purchase by CHP, or other measures are taken that enable CHPs to acquire ACT Government sites at price points that make new community housing developments viable. The government should also consider variation to the *Planning and Development Act 2007* (ACT) (the Planning Act) and shared equity schemes. Economic modelling is provided in more detail below.

2. Valuing the Community Sector

Community sector organisations are key partners in addressing and recovering from the COVID-19 pandemic. They complement government systems to provide health care and support services to disadvantaged groups based on established relationships of trust and flexible operational delivery systems. Community-controlled Aboriginal and/or Torres Strait Islander organisations bring particular expertise and community input. However, most community sector organisations have been significantly underfunded for several years and face significant workforce challenges.

The community sector provides a safety net for the most disadvantaged Canberrans, leveraging government funding to secure private sector and philanthropic funding and donations of volunteer time. The sector is highly cost effective, delivering services of professional quality at lower rates than is feasible via the public service. It also provides paid employment to at least 14,000 Canberrans¹⁰, and is thus one of the five largest employment sectors, employing about 50% more people than for example the tourism sector.¹¹

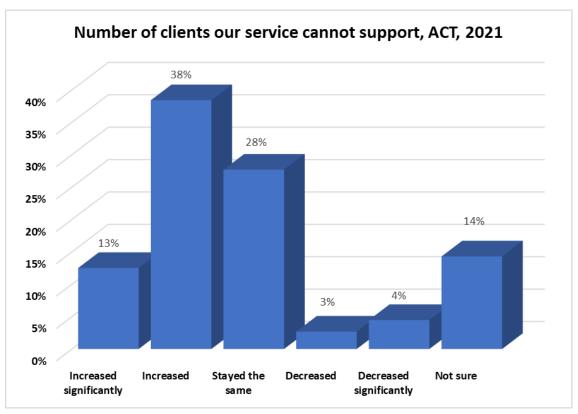
⁸ L Troy, R van den Nouwelant & B Randolph, *Estimating need and costs of social and affordable housing delivery* [PDF], UNSW City Futures Research Centre, Sydney, 2019, p 3, accessed 29 March 2022.

⁹ Community Housing Industry Association ACT (CHIA ACT), Community Housing Industry Association (ACT Region) Policy Statement 2022, CHIA ACT, Canberra, 2022. Note: the total 'cost to government' is calculated based on: land transfers, reduced land cost or a co-investment mechanism; full Lease Variation Charge exemption; rates exemption; an uncapped land tax exemption program; and top-up funding to community housing providers to subsidise landlords of privately owned properties whom rent properties below market rates for people on lower incomes.

¹⁰ ACT Long Service Leave Authority, *Industry Workforce Analysis: Community Sector* [PDF], Insight Consulting, 2019, accessed 13 May 2022.

¹¹ Tourism Research Australia, <u>State Tourism Satellite Account 2019-20</u>, Australian Trade and Investment Commission, 2022, accessed 13 May 2022.

However, the workforce is overworked, underpaid and burned out, and the COVID-19 pandemic has only worsened the situation. Many organisations are struggling to recruit and retain staff in the sector. Community sector organisations are struggling to maintain services with current funding levels. The government must invest more to ensure critical services are sustained, and staff retained. There needs to be an immediate rise in indexation of all community sector contracts in line with the revised methodology in the joint government-community sector *Counting the Costs* report. 12



Source: ACTCOSS, <u>2021 ACT Community Sector Demand Snapshot</u>, ACTCOSS, December 2021, p 5, accessed 19 May 2022.

3. Aboriginal and/or Torres Strait Islander Self-Determination

Systemic racism means that Aboriginal and/or Torres Strait Islander people face profound disadvantage across most areas of life in the ACT. Indigenous people are overrepresented in the justice system and the child and youth protection system¹³, experience worse health and education outcomes¹⁴ and are more likely to experience homelessness, housing stress and overcrowding. Despite making up less than 2% of the population, Aboriginal and/or Torres Strait

¹² N Cortis, M Blaxland & E Adamson, <u>Counting the Costs: Sustainable funding for the ACT community services sector</u>, commissioned by ACTCOSS and ACT Government, 2021, accessed 12 May 2022.

¹³ Australian Government Productivity Commission, <u>Report on Government Services</u>: <u>Community Services</u>, Australian Government Productivity Commission, 2022, accessed 25 January 2022.

¹⁴ Australian Bureau of Statistics (ABS), <u>Data by region: Aboriginal and Torres Strait Islander Peoples</u>, ABS, 2019, accessed 17 March 2022.

Islander people make up nearly a quarter of the population in the Alexander Maconochie Centre (AMC)¹⁵, and 17% of specialist homelessness service clients.¹⁶ Aboriginal and/or Torres Strait Islander children are almost 13 times more likely than non-Indigenous children to be in out-of-home care (OOHC), and 16 times more likely to be in detention.¹⁷ 42% of First Nations people identify as having a disability, well above the national average of 19.4%.¹⁸

Aboriginal communities have provided guidance and recommendations on how to address these systemic problems through countless inquiries and reports, including the *Our Booris, Our Way* report, the Royal Commission into Aboriginal Deaths in Custody, and the ACT Ombudsman's report into ACT Policing's administrative framework for engagement with the ACT Aboriginal and Torres Strait Islander community. The ACT Government must collate the recommendations from these and other reports and then empower and resource Aboriginal community-controlled organisations to care for their communities.

4.Cost of Living

ACTCOSS's <u>2022 ACT Cost of Living Report</u> shows that Canberrans living on low incomes have been hit hardest by the biggest increase in cost of living in over 20 years, with the Consumer Price Index (CPI) rising by 5.4% in the twelve months to March 2022. This is on the back of significant increases in prices for essential goods and services during the past five years. Inflation is expected to rise this year further exacerbating costs for those on low incomes. JobSeeker and Youth Allowance payments have returned to well below the poverty line, with an estimated 38,300 Canberrans living below the poverty line, including 9,000 children.¹⁹

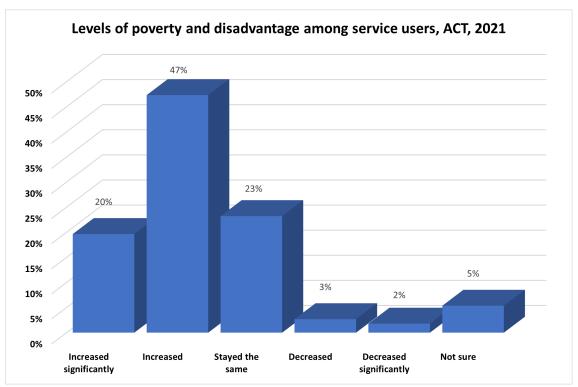
¹⁵ ABS, Prisoners in Australia, ABS, 2020, accessed 25 May 2021.

¹⁶ Australian Government, Australian Institute of Health and Welfare, <u>Specialist Homelessness Services</u> <u>2020-21: Australian Capital Territory [PDF]</u>, Australian Government, 2021, accessed 16 March 2022.

¹⁷ Australian Government Productivity Commission, *Report on Government Services: Community Services*, Australian Institute of Health and Welfare, 2022, accessed 25 January 2022.

¹⁸ ABS, <u>Data by region: Aboriginal and Torres Strait Islander Peoples</u>, ABS, 2019, accessed 17 March 2022.

¹⁹ ACOSS and UNSW, <u>Data and Figures: Rate of poverty by state/territory of residence</u>, Research insights into poverty and inequality in Australia website, ACOSS and UNSW, 2020.



Source: ACTCOSS, <u>2021 ACT Community Sector Demand Snapshot</u>, ACTCOSS, December 2021, p 1, accessed 19 May 2022.

Over the past 12 months the ACT community sector has seen an increase in demand for social services alongside an increase in poverty, disadvantage and complexity of need among the people and communities they support. Almost four in five (78%) ACT respondents to the 2021 Australian Community Sector Survey reported that levels of demand for their main service increased. Over two thirds (67%) reported that levels of poverty and disadvantage have increased among the groups they support. Services are reporting new cohorts presenting for support including those on near or even median incomes who are struggling to pay their rents and bills. Anglicare ACT reported in early May 2022 that food stocks in their five relief distribution centres were only sufficient for four weeks at the start of the peak winter season.

We have seen a dramatic increase in homelessness and housing instability... Housing/rental prices have increased significantly and we have also seen an increasing number of people moving into the area from the larger cities without realising that the housing situation here is much worse.

- Frontline worker, financial support service, ACT

²⁰ ACTCOSS, <u>2021 ACT Community Sector Demand Snapshot</u>, ACTCOSS, 2021, accessed 2 May 2022.

²¹ J Halcrow, CEO of Anglicare NSW South/ACT, quoted in ACTCOSS, <u>Canberrans on low incomes hit hardest by cost of living rises as income supports removed</u> [media release], ACTCOSS, 6 May 2022, accessed 13 May 2022.

Low-income households spend a greater proportion of their income on essential goods and services and are hit hardest by price rises. To assist low-income and other vulnerable households to cover the costs of the basics, the government must ensure concessions are adequate and targeted to need based on review and update of the Targeted Assistance Strategy.

To achieve a just and fair Canberra, the 2022-23 ACT Budget must work towards:

- A sustainable recovery from the social, health and economic shock of COVID-19
- Addressing the ACT's ongoing housing crisis
- Adequate funding for community sector organisations
- Improving outcomes for Aboriginal and/or Torres Strait Islander peoples by resourcing and funding of Aboriginal community-controlled organisations
- Updating concessions and support schemes for people experiencing disadvantage.

The ACT Government must also commit to further and targeted funding across health, mental health, disability, climate and energy, justice, children, young people and families, human rights and planning and transport, as detailed below. Disadvantage manifests in myriad ways and must be addressed via a whole-of-government approach.

Summary of Recommendations

Priority Recommendations

Housing

- Fund a fully independent outcome and impact evaluation of the ACT
 Housing Strategy to ensure baseline figures, clear targets, achievements
 and overall housing stock levels for social housing and affordable rentals
 are clearly reported on a regular basis, and identify opportunities to
 increase housing supply
- Set a zero target for homelessness as everyone has the right to a home
- Continue negotiation with the next federal government to waive the ACT's historical housing debt and utilitise this to finance new investment in the social and affordable housing stock
- Meet land release targets and reassess share released for social housing, especially community housing, versus affordable housing
- Enable and empower community housing providers through access to and release of affordable land, rezoning and rates exemptions
- Provide direction to the Suburban Land Agency (SLA) to specify restrictions for land allocated to community housing providers that result in sufficiently discounted valuations to allow construction
- Consider variation to the Planning Act to facilitate discount of land valuations for social purposes, and consider government retention of a portion of equity of dwellings constructed to be reimbursed at time of future sale
- Resource and support an Aboriginal and/or Torres Strait Islander community-controlled housing provider
- Improve housing responses for LGBTIQA+ Canberrans including: a LGBTIQA+ housing strategy, a trauma-informed homelessness and housing support service and funding for ongoing LGBTIQA+ awareness training for housing and homelessness services.

Valuing the Community Sector

- Use the <u>Counting the Costs</u> report's revised methodology for the community sector's indexation rate
- Ensure annually renewed contracts are also indexed adequately

- Increase community sector funding to cover all costs including staffing, service delivery, engagement in commissioning and policy processes and monitoring and evaluation
- Work with the community sector through the Industry Strategy Steering Group to develop a workforce strategy and career pathways to recruit and retain staff, as outlined in the April 2019 <u>Workforce Data and</u> Community Needs Analysis
- Ensure commissioning process responds to increased demand and complexity of need across all directorates, with particular attention to the needs of Aboriginal and/or Torres Strait Islander peoples
- Properly fund ACT Government strategies and ensure fair division of investment between public service and community sector, and Aboriginal and/or Torres Strait Islander controlled organisations
- Review and address ageing community facilities to allow delivery and continuity of services with dignity for clients
- Increase funding to facilitate community connection initiatives and employ dedicated community development staffing across all regions
- Adequately fund the Community Development Network for the ACT and Region (CDNet) and ensure contract is indexed
- Renew the ACT Volunteering Strategy.

Aboriginal and/or Torres Strait Islander Self-Determination

- Commit to a Commission of Inquiry or Royal Commission into the overrepresentation of Aboriginal and/or Torres Strait Islander people in the justice system
- Implement and resource all recommendations from the <u>Our Booris</u>, <u>Our Way</u> report
- Implementation of adequate internal and external review mechanisms in the ACT child protection systems
- Fund and implement all recommendations from the <u>independent review</u>
 of the service system requirements for raising the minimum age of
 criminal responsibility in the ACT
- Appoint an Aboriginal and/or Torres Strait Islander Children's Commissioner
- Ensure adequate resourcing for the continued implementation of the ACT Aboriginal and Torres Strait Islander Agreement

- Ensure Aboriginal and/or Torres Strait Islander communities are sufficiently supported to participate in and benefit from commissioning process
- Increase investment in Aboriginal community-controlled organisations.

Cost of Living

- Ensure concessions are adequate and targeted to need based on review and update of the Targeted Assistance Strategy
- Ensure the Utilities Concession is adjusted in line with increases in costs of electricity, gas, water and sewerage services for low-income households
- Expand the Utilities Hardship Fund to Icon Water so it can be accessed by customers experiencing hardship for water and sewerage services
- Introduce an income-based approach to ACT Government fines, fees and other charges
- Trial free public transport and analyse its costs, benefits and distributional impact.

Further Recommendations

Health (including alcohol and other drug treatment)

- Invest in integrative health services that prioritise access for people on low incomes, including early intervention and mental health and support for carers
- Greater investment in the Community Assistance and Support Program (CASP) and chronic illness commissioning processes
- Implement geriatric streaming through Canberra hospitals
- Fund a dedicated palliative care unit, with associated around-the-clock telehealth service
- Develop an Integrated Care Strategy with a focus on chronic health and wrap-around service provision
- Further funding for alcohol, tobacco and other drug (ATOD) treatment and harm reduction specialist services
- Conduct an ATOD sector infrastructure audit
- Invest in expanding, resourcing and training the ATOD peer workforce.

Mental Health

- Invest in and train peer workers in mental health
- Fund a respite facility for mental health carers
- Respond to the review for older persons' mental health and invest in targeted mental health supports for older Canberrans
- Invest in targeted mental health supports for specialist services, such as for LGBTIQA+ people
- Invest in ATOD and mental health integrated service provision
- Address significant gap for people with complex mental health issues who are not eligible for the National Disability Insurance Scheme (NDIS)
- Adequately fund the implementation of the Mental Health Workforce Strategy
- Invest in integrated housing and mental health support.

Disability

- Ensure adequate funding for the implementation of the Disability Health Strategy
- Focus education funding on transitioning to a fully inclusive education model with the long-term goal of making all schools accessible and inclusive for all students
- Fund systemic disability advocacy, as well as individual advocacy
- Fund and resource a specialty disability legal service within the community legal sector
- Address lack of accessible and affordable housing for people with disabilities.

Climate and Energy

- Provide additional funding under the Home Energy Support Program to enable low-income (including private rental and social housing) households to access rooftop solar and energy efficient heating, cooling, cooking and hot water
- Provide support to low-income households to purchase a zero emissions vehicle and/or access charging infrastructure (privately or publicly)
- Provide adequate, long-term funding for advocacy for small energy consumers and a just transition in the ACT

Monitor the distributional impact of the Large-scale Feed-in Tariff (LFiT)
 Scheme on ACT energy consumers.

Justice

- Implement all recommendations from the Healthy Prison Review of the Alexander Maconochie Centre
- Fund and implement all recommendations from the <u>independent review</u> of the service system requirements for raising the minimum age of <u>criminal responsibility in the ACT</u>
- Resource the Disability Justice and Justice Reinvestment Strategies
- Adequately fund and resource the ACT National Preventative Mechanisms (NPMs) to carry out Optional Protocol to the Convention Against Torture (OPCAT) monitoring and engage with civil society
- Fund a health promotion program for women in the AMC
- Resource a financial literacy and education program at the AMC
- Ensure the community sector is adequately funded and supported to provide services and programs within the AMC
- Implement a needle and syringe program for the AMC
- Greater investment in integrated and accessible frontline service provision for domestic and family violence and sexual assault response
- Ensure ongoing funding for domestic and family violence (DFV) and sexual assault response beyond COVID-19 funding for 2021-22.

Children, Young People and Families

- Ensure sufficient legal, social and housing support for people experiencing domestic and family violence
- Invest in perinatal wellbeing including through in-patient care
- Invest in early childhood education and preschools with early intervention strategies for children with developmental delays
- Fund early intervention and supports for families at risk of engagement with child and youth protection services, particularly for families with disability and Aboriginal and/or Torres Strait Islander families
- Fund and implement all recommendations from the Inspector of Correctional Services Healthy Centre Review of Bimberi Youth Justice Centre.

Human Rights

- Resource the ACT Human Rights Commission to respond to complaints about breaches of the *Human Rights Act 2004* (ACT) (the Human Rights Act) including the implementation of a human rights complaints process
- Resource and support an independent advocacy voice for culturally and linguistically diverse Canberrans in the ACT
- Commit to review police complaints handling mechanisms to ensure greater practical independence, accountability and transparency of investigations
- Through improved access to legal support and better funding for the ACT's community legal services, ensure equality before the law for all ACT residents, including women and children, Aboriginal and/or Torres Strait Islander people, people with disabilities and other Canberrans facing legal disadvantage.

Planning and Transport

- Develop a policy framework and investment model for the long-term provision of community facilities across the ACT
- Require developers to build community infrastructure into new developments
- Fund a transport needs analysis
- Guarantee and adequately fund on-demand transport (like community transport) as well as mass transit (like public transport)
- Extend transport concessions and lift the cap on the Taxi Subsidy Scheme
- Trial free public transport and analyse its costs, benefits and distribution impact.

Background on Priorities

Housing Crisis

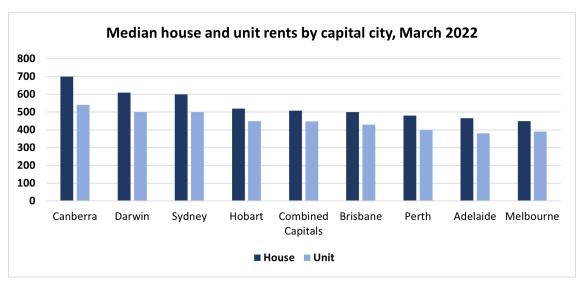
Recommendations

- Fund a fully independent outcome and impact evaluation of the ACT
 Housing Strategy to ensure baseline figures, clear targets, achievements
 and overall housing stock levels for social housing and affordable rentals
 are clearly reported on a regular basis, and identify opportunities to
 increase housing supply
- Set a zero target for homelessness as everyone has the right to a home
- Continue negotiation with the next federal government to waive the ACT's historical housing debt and utilitise this to finance new investment to uplift social and affordable housing stock
- Meet land release targets and reassess share released for social housing, especially community housing, versus affordable housing
- Enable and empower community housing providers through access to and release of affordable land, rezoning and rates exemptions
- Provide direction to the SLA to specify restrictions for land allocated to community housing providers that result in sufficiently discounted valuations to allow construction
- Consider variation to the Planning Act to facilitate discount of land valuations for social purposes, and consider government retention of a portion of equity of dwellings constructed to be reimbursed at time of future sale
- Resource and support an Aboriginal and/or Torres Strait Islander community-controlled housing provider
- Improve housing responses for LGBTIQA+ Canberrans including: a LGBTIQA+ housing strategy, a trauma informed homelessness and housing support service and funding for ongoing LGBTIQA+ awareness training for housing and homelessness services.

Addressing housing is core to the fulfillment of all other wellbeing outcomes, especially to the social determinants of health and to justice.

Housing is the biggest cost of living pressure for low-income households in the ACT. Our *2022 ACT Cost of Living Report* found that over the past five years housing prices have increased by 19.0% in Canberra compared to 8.2% nationally. ²² The price to purchase a new dwelling increased by 18.0% in Canberra over this period, compared to a 14.7% increase nationally. Canberra is now the second most expensive capital city to purchase a house, behind Sydney. ²³ For most low-income households, the cost of purchasing a home in Canberra is severely unaffordable. At the same time, Canberra's private rental market is also becoming less and less affordable.

Over the past five years the CPI for rents in Canberra has risen by 13.1% compared to an increase of just 0.7% nationally. ²⁴ Canberra has been Australia's most expensive capital city to rent a house since late 2018 and to rent a unit since late 2020. The Domain Rental Report for March 2022 found that the median weekly rent in Canberra was \$700 for houses (up by \$100 since March 2021) and \$540 for units (up by \$40 since March 2021). ²⁵ At the same time, Domain found that in March 2022 Canberra had reached an all-time low vacancy rate of just 0.5%, leaving prospective tenants with extremely limited choice and market power. ²⁶



Source: Domain, <u>March 2022 Rental Report</u>, Domain website, n.d., accessed 21 April 2022; ACTCOSS, <u>2022</u> ACT Cost of Living Report, ACTCOSS, Canberra, May 2022, Figure 8.

²² ACTCOSS, 2022 ACT Cost of Living Report, ACTCOSS, Canberra, May 2022, accessed 12 May 2022.

²³ Domain, March 2022 House price report, Domain website, n.d., accessed 2 May 2022.

²⁴ ACTCOSS, 2022 ACT Cost of Living Report, ACTCOSS, Canberra, May 2022, accessed 12 May 2022.

²⁵ Domain, March 2022 Rental Report, Domain website, n.d., accessed 21 April 2022.

²⁶ Domain, Vacancy rates: March 2022, Domain website, n.d., accessed 2 May 2022.

The ACT has the highest rate of rental stress among lower income private rental households at 73%.²⁷ Housing stress is defined as a household in the two lowest income quintiles spending more than 30% of gross household income on housing. While Commonwealth Rent Assistance (CRA) provides much-needed assistance to tenants with low incomes in private housing, it has failed to keep pace with steep increases in rents. Rent payments are impossible to meet on JobSeeker even with CRA – the maximum of which totals \$390 per week for a single person. The ACT has the highest proportion of households receiving CRA who are being paid at the maximum payment rate – 83.1% compared to 79.1% nationally.²⁸ More than half (55.1%) of ACT households receiving CRA are experiencing rental stress (i.e., paying more than 30% of income on rent) – 29.1% are experiencing severe rental stress, paying more than 50% of income on rent.²⁹

The latest Rental Affordability Index found that Canberra is the least affordable Australian city for low-to-moderate income households to rent in.³⁰ It shows that ACT rents are extremely unaffordable for a single person on JobSeeker Payment, a single pensioner, and a single part-time worker parent on benefits. ACT rents are severely unaffordable for a pensioner couple and a hospitality worker, and unaffordable for a minimum wage couple and a student sharehouse occupant.

27 Productivity Commission, 'Table GA.3 Proportion of lower income private rental households paying more than 30 per cent of income on housing costs, by State and Territory' [data tables], <u>Report on Government Services 2021: G Housing and homelessness</u>, Productivity Commission, 2021, accessed

22 June 2021.

²⁸ Productivity Commission, 'Table GA.12 Income units receiving CRA and paying enough rent to be eligible for maximum assistance, by jurisdiction' [Data Tables], *Report on Government Services 2022: G Housing and Homelessness*, Productivity Commission, 2022, accessed 25 April 2022.

²⁹ Productivity Commission, 'Table GA.13 CRA Income units paying more than 30 per cent of income on rent, with and without CRA, by selected equity group' & 'Table GA.14CRA Income units paying more than 50 per cent of income on rent, with and without CRA, by selected equity group' [Data Tables], <u>Report on Government Services 2022: G Housing and Homelessness</u>, Productivity Commission, 2022, accessed 25 April 2022.

³⁰ SGS Economics & Planning, *Rental Affordability Index: November 2021 Key Findings* [PDF], SGS Economics & Planning, Canberra, 2021, accessed 2 May 2022.

Rental Affordability Index, November 2021

Household	RAI score	Rent as share of income	Relative unaffordability
Single person on JobSeeker payment	27	113%	Extremely unaffordable
Single pensioner	44	68%	Extremely unaffordable
Single part-time worker parent on benefits	48	63%	Extremely unaffordable
Pensioner couple	59	51%	Severely unaffordable
Hospitality worker	75	40%	Severely unaffordable
Student sharehouse	81	37%	Unaffordable
Minimum wage couple	91	33%	Unaffordable
Single income couple with children	109	28%	Moderately unaffordable
ACT - Overall	119	25%	Moderately unaffordable
Single full-time working parent	124	24%	Acceptable
Dual income couple with children	218	14%	Affordable

Source: SGS Economics & Planning, <u>Rental Affordability Index: November 2021 Key Findings</u> [PDF], SGS Economics & Planning, Canberra, 2021, accessed 2 May 2022; ACTCOSS, <u>2022 ACT Cost of Living Report</u>, ACTCOSS, Canberra, May 2022, Table 3.

A recent analysis by Everybody's Home found that Canberra is the least affordable city to rent in for young people working in retail and hospitality and/or receiving Youth Allowance.³¹ Previous analysis by Everybody's Home undertaken in 2021 found that Canberra was the least affordable capital city for key COVID-essential workers – i.e., disability support, aged care, childcare, hospitality, and supermarket workers – in terms of hours worked to pay rent. ³² Across the inner south, south, inner north, and north of Canberra it found that 'an essential worker would need to sacrifice more than two thirds of a full working week's income to rent an apartment'.³³ In Weston Creek, Belconnen, Tuggeranong, Gungahlin, Woden Valley 'an essential care or service worker

³¹ Everybody's Home, <u>Young Australians crunched by housing crisis</u>, Everybody's Home website, 20 April 2022, accessed 21 April 2022.

³² Everybody's Home, <u>Rental crisis hits COVID-essential workforce</u>, Everybody's Home website, 2 August 2021, accessed 25 April 2022.

³³ Everybody's Home, <u>Rental crisis hits COVID-essential workforce</u>, Everybody's Home website, 2 August 2021, accessed 25 April 2022.

would need to spend between one third and two-thirds of normal working week's wages, to rent an apartment'.³⁴

Anglicare Australia's 2022 Rental Affordability Snapshot found 1,354 private rentals advertised for rent in the ACT and Queanbeyan on 18 March 2022.³⁵ Of these it found that:

- Five (0.3%) individual properties were suitable for at least one household type living on income support payments without placing them in housing stress
- 36 (2.6%) individual properties were suitable for at least one household type living on minimum wage without placing them in housing stress
- None were affordable and appropriate for a single person or single parent on JobSeeker or a single person on Disability Support Pension or Youth Allowance
- Less than 1% were affordable for a single person or couple on the age pension, a couple with children on JobSeeker, a single parent on Parenting Payment Single, or a single parent or couple with children on the minimum wage plus Family Tax Benefit A and/or B.

In addition to the chronic shortage of affordable private rental properties, there is also a significant shortage of social and affordable housing in the ACT. Much more federal and territory government investment will be needed to address our worsening social housing shortage and growing social housing waiting list. As at 30 June 2020, social housing households made up 6.7% of all ACT households. This proportion – or social share – of households has been declining since 2014 when it was 7.6%. As at 7 March 2022, there were 3,028 applications for social housing in the ACT, with the average waiting time for standard housing being 1,585 days or 4.3 years. Since 5 July 2021, the number of applications had increased by 540 (21.7%) and the waiting time for standard housing has increased by 317 days (25.0%).

³⁴ Everybody's Home, <u>Rental crisis hits COVID-essential workforce</u>, Everybody's Home website, 2 August 2021, accessed 25 April 2022.

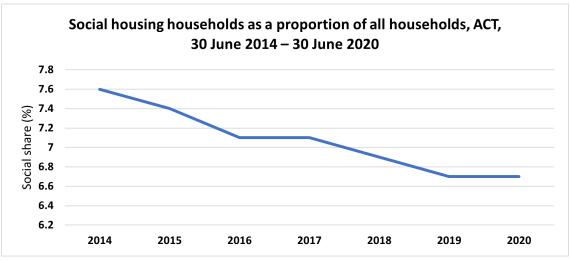
³⁵ Anglicare Australia, *Rental Affordability Snapshot: Regional Reports*, Anglicare Australia, Canberra, April 2022, 'ACT and Queanbeyan', pp 33-4, accessed 28 April 2022.

³⁶ AIHW, 'Table SOCIAL SHARE.1: Social housing households and all Australian households, by states and territories, at 30 June 2010 to 2020' [data tables], *Housing Assistance in Australia, 2021*, accessed 8 July 2021.

³⁷ AIHW, 'Table SOCIAL SHARE.1: Social housing households and all Australian households, by states and territories, at 30 June 2010 to 2020' [data tables], *Housing Assistance in Australia*, 2021, accessed 8 July 2021.

³⁸ ACT Government Community Services Directorate, <u>Social Housing Waiting List</u>, ACT Government Community Services Directorate, 7 March 2022, accessed 21 April 2022.

³⁹ ACT Government Community Services Directorate, <u>Social Housing Waiting List</u>, ACT Government Community Services Directorate, 5 July 2021, accessed 8 July 2021.



Source: Australian Institute of Health and Welfare (AIHW), 'Table SOCIAL SHARE.1: Social housing households and all Australian households, by states and territories, at 30 June 2010 to 2020' [data tables], *Housing Assistance in Australia*, 2021, accessed 8 July 2021; ACTCOSS, <u>2022 ACT Cost of Living Report</u>, ACTCOSS, Canberra, May 2022, Figure 9.

There is an opportunity to advocate to the next federal government to waive the historical ACT Government debt – currently valued at \$98.3 million⁴⁰ – to the Commonwealth for previous federal investment in social housing in exchange for reinvestment of this sum in new social housing. It is ACTCOSS's understanding that this would not entail a negative impact on the overall fiscal position of the ACT Government. At an estimated cost of \$500,000 per public housing dwelling, this could support an increase of almost 200 public housing dwellings, providing rentals to people on the lowest incomes.⁴¹ At an estimated total 'cost to government' conservatively estimated at \$150,000 per affordable rental dwelling managed by a CHP, this would result in an increase of over 650 affordable rentals for people on low to moderate incomes (second quintile).⁴² While these are large sums, it is important to note that for every \$1 million of public investment in social housing, gross domestic product (GDP) is boosted by \$1.3m.⁴³

ACTCOSS has welcomed the ACT Government's commitment under the Parliamentary and Governing Agreement to deliver an additional 400 public housing dwellings by 2025 and 600 additional affordable housing dwellings by

⁴⁰ Australian Government, <u>Federal Financial Relations</u>, <u>Budget paper no. 3: 2022-23 (Appendix D: debt transactions)</u>, Australian Government, 2022, accessed 17 May 2022.

⁴¹ Estimated cost of \$500,000 per dwelling is ACT Treasury's costing of the ACT Greens 'A Home For All' Election Commitment ahead of the 2020 ACT Election, see: ACT Treasury, <u>ACT Greens Costings</u> 2020 - GRN013 - A home for all - Costing: GRN013C (Parts A to D), ACT Government, 15 October 2020, accessed 17 May 2022.

⁴² The total 'cost to government' figure of \$150,000 is based on the top of the range of \$100,000 to \$150,000 based on modelling by CHIA ACT members as reported in: Community Housing Industry Association ACT, Community Housing Industry Association (ACT Region) Policy Statement 2022, CHIA ACT, Canberra, 2022.

⁴³ KPMG, <u>Housing Ministers' Advisory Committee</u>, <u>Social Housing Initiative Review [PDF]</u>, prepared by KPMG for the Department of Housing, September 2012, p 2, accessed 22 June 2021.

2025-26.⁴⁴ However, this commitment falls well short of our community's need for social and affordable housing. It has been estimated that the ACT has a current shortfall of 3,100 social housing properties, with 8,500 additional social housing dwellings needed by 2036 to meet the ACT's current and projected need for rentals (usually pegged at 25% of income) that are affordable for those on the lowest incomes.⁴⁵ Further, it has been estimated that there is a current shortfall of 2,400 affordable housing dwellings in the ACT, with 3,400 additional affordable housing dwellings required by 2036 to meet our current and projected need.⁴⁶ This underscores the need for the government to increase investment in this area.

There is a significant opportunity to meet the PAGA target (600) for affordable rentals, and to exceed it to approach the modelled need of 2,400 properties. ⁴⁷ Community housing providers are experts in providing affordable rentals but are currently often unable to take up restricted land release offers – see ACTCOSS's submission to the Inquiry into the <u>Auditor General's report on the Residential Land Supply and Release Scheme</u>. CHIA has estimated a total 'cost to government' of \$100,000 to \$150,000 per dwelling would allow construction of suitable dwellings. ⁴⁸ CHPs are able to provide rentals at 74.9% of market value over at least twenty-year periods which would be affordable to people on low to moderate incomes (second quintile).

ACTCOSS recommends that clear direction is provided to the SLA to ensure restrictions placed on assigned plots for release are sufficient to produce valuations significantly below market and/or a revision to the Planning Act must be made to allow discounted land sales for defined social outcomes. The government could also consider holding a stake in the equity of these properties to be realised if the properties are sold at a future date on the market. This would reduce the impact on the government's balance sheet from this type of investment.

The housing crisis needs to be tackled urgently. Private rental affordability is likely to get much worse. An expert panel at the recent national AHURI Shelter Conference was unanimous in projecting that private rents in all major cities will likely rise by over 10% in the coming year. With vacancy rates currently at a

⁴⁴ ACT Government, *Parliamentary and Governing Agreement – 10th Legislative Assembly for the Australian Capital Territory* [PDF], ACT Government, 2020, accessed 2 May 2022.

⁴⁵ J Lawson, H Pawson, L Troy, R van den Nouwelant & C Hamilton, <u>Social housing as infrastructure: an investment pathway</u>, AHURI Final Report 306, Australian Housing and Urban Research Institute Limited, 2018, p 63, accessed 22 June 2021.

⁴⁶ L Troy, R van den Nouwelant & B Randolph, <u>Estimating need and costs of social and affordable</u> <u>housing delivery [PDF]</u>, UNSW City Futures Research Centre, Sydney, 2019, p 3, accessed 29 March 2022.

⁴⁷ L Troy, R van den Nouwelant & B Randolph, *Estimating need and costs of social and affordable housing delivery* [PDF], UNSW City Futures Research Centre, Sydney, 2019, p 3, accessed 29 March 2022.

⁴⁸ CHIA ACT, <u>Community Housing Industry Association (ACT Region) Policy Statement 2021</u>, CHIA ACT, Canberra, 2022, accessed 19 May 2022.

record low level, there is every indication that the Canberra rental market will remain the least affordable in the country, squeezing many out of the market. This will put further pressure on the limited supply of social housing, and sadly some people will be left in unsafe and insecure housing, couch surfing, sleeping rough, or in their cars.

The last government estimate available put the number of people experiencing homelessness in Canberra at 1,600.⁴⁹ Community sector organisations working with people experiencing or at risk of homelessness report that numbers are increasing as we enter the winter season. During the pandemic, government supported more people into temporary accommodation, demonstrating that we can achieve zero homelessness. Achieving this target in the long term will require additional investment in the supply of temporary and long-term accommodation, and wrap-around support services by government and community sector providers to help people with high and complex needs.

ACTCOSS recommends that the ongoing homeless commissioning process leads to a clear strategy and an implementation plan to tackle homelessness and sets an overall target of zero homelessness in the community.

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⁴⁹ ABS, <u>Census of Population and Housing: Estimating Homelessness, ABS, Canberra, 2018</u>, 'Table 2.9 - Homeless operational groups and other marginal housing, Australian Capital Territory, by selected characteristics, 2016', accessed 5 May 2022.

Valuing the Community Sector

Recommendations

- Use the <u>Counting the Costs</u> report's revised methodology for the community sector's indexation rate
- Ensure annually renewed contracts are also indexed adequately
- Increase community sector funding to cover all costs including staffing, service delivery, engagement in commissioning and policy processes and monitoring and evaluation
- Work with the community sector through the Industry Strategy Steering Group to develop a workforce strategy and career pathways to recruit and retain staff, as outlined in the April 2019 <u>Workforce Data and</u> Community Needs Analysis
- Ensure commissioning process responds to increased demand and complexity of need across all directorates, with particular attention to the needs of Aboriginal and/or Torres Strait Islander peoples
- Properly fund ACT Government strategies and ensure fair division of investment between public service and community sector, and Aboriginal and/or Torres Strait Islander controlled organisations
- Review and address ageing community facilities to allow delivery and continuity of services with dignity for clients
- Increase funding to facilitate community connection initiatives and employ dedicated community development staffing across all regions
- Adequately fund the Community Development Network for the ACT and Region (CDNet) and ensure contract is indexed
- Renew the ACT Volunteering Strategy.

Wellbeing domain 1: Access & Connectivity (service accessibility, liveable city)

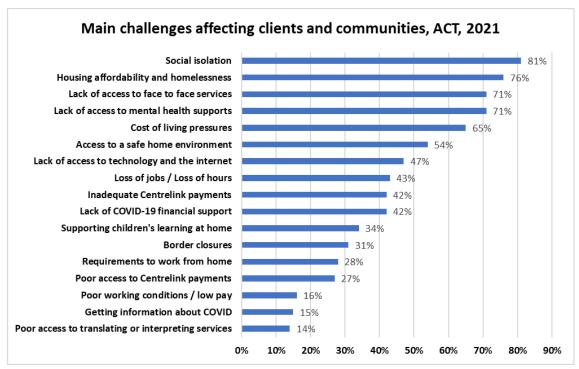
Wellbeing domain 2: Economy (employment, income inequality)

Wellbeing domain 8: Identity and belonging (valuing Aboriginal and Torres Strait Islander cultures and recognising our Traditional Custodians)

Wellbeing domain 12: Time (unpaid work, including caring)

The community sector is a key part of the ACT economy and an essential avenue through which to address disadvantage and poverty in the territory. However, the community sector is historically underfunded due to gender-based

undervaluation, competitive funding models and misunderstandings about the importance of overheads.



Source: ACTCOSS, <u>2021 ACT Community Sector Demand Snapshot</u>, ACTCOSS, December 2021, p 2, accessed 19 May 2022.

Most community sector organisations have been significantly underfunded for several years with funding shortfalls for: the full cost of service delivery; appropriate staffing levels, training and back-filling; policy and commissioning engagement; and monitoring and evaluation to ensure flexible, adaptive program management.

In 2021, compared with 2016, smaller proportions of organisations report that funding from the ACT Government covers the true cost of delivering ACT programs, that funding levels enable organisations to meet demand and that funding enables staff to be appropriately paid for their skills.⁵⁰ For example, less than a quarter of organisations surveyed for the recent <u>Counting the Costs</u> report reported being adequately funded to employ enough staff. Inadequate resources to employ and support staff significantly reduces sector capacity to respond to need and affects quality and outcomes for clients and communities.

Further, only 13% of organisations reported adequate funding from the ACT Government to carry out monitoring and evaluation of programs.⁵¹ Without this

⁵⁰ N Cortis, M Blaxland & E Adamson, <u>Counting the Costs: Sustainable funding for the ACT community services sector</u>, commissioned by ACTCOSS and ACT Government, 2021, accessed 12 May 2022.

⁵¹ N Cortis, M Blaxland & E Adamson, <u>Counting the Costs: Sustainable funding for the ACT community services sector</u>, commissioned by ACTCOSS and ACT Government, 2021, accessed 12 May 2022.

critical work, we cannot understand how and whether interventions are working and our capacity for service improvement is limited.

The importance of the community sector was made abundantly clear during the height of the COVID-19 pandemic. Organisations partnered with government to address health and service system gaps and provide health care and support services to disadvantaged groups based on established relationships of trust and flexible operational delivery systems. Community services deliver critical services and bring deep knowledge and lived experience to both the commissioning processes and policy development. Community-controlled Aboriginal and/or Torres Strait Islander organisations bring significant cultural awareness and community input.

The lack of funding for the community sector also influences the gender pay gap in the ACT, given that 80% of the sector are women. ⁵² In 2021, the gender pay gap in the ACT was 7.9%, up 1.6 percentage points from the year before. ⁵³ Nationally, the Health Care and Social Assistance industry has the second highest gender pay gap at 21.4% ⁵⁴. The underfunding of the sector has a serious impact, not just on community sector workers, but the whole economy. The Grattan Institute estimates that every 1% of GDP invested in care work increases direct, indirect and induced employment by 1.7% (vs 0.9% for construction). ⁵⁵

In addition, many services operate from ageing community facilities. With a substantial increase in demand for many services over the last two years, organisations are struggling with both office space and service delivery space. Many organisations operate from ACT Property Group facilities which have significant, ongoing maintenance issues, and are neither accessible nor suitable for a changing climate. There is also a shortage in property to enable a growth in Aboriginal and/or Torres Strait Islander community-controlled organisations in the ACT.

⁵² ACT Government Community Services Directorate and the ACT Community Services Industry, <u>ACT Community Services Industry Strategy 2016-2026 [PDF]</u>, ACT Government Community Services Directorate, July 2016, accessed 22 June 2021.

⁵³ Workplace Gender Equality Agency, <u>Australia's Gender Pay Gap Statistics [PDF]</u>, Australian Government, 2022, accessed 12 May 2022.

⁵⁴ Workplace Gender Equality Agency, <u>Australia's Gender Pay Gap Statistics [PDF]</u>, Australian Government, 2022, accessed 12 May 2022.

⁵⁵ D Wood, K Griffiths & T Crowley, <u>Women's work: The impact of the COVID crisis on Australian women</u>, Grattan Institute, March 2021, p 38, accessed 22 June 2021.

Aboriginal and/or Torres Strait Islander Self-Determination

Recommendations

- Commit to a Commission of Inquiry or Royal Commission into the overrepresentation of Aboriginal and/or Torres Strait Islander people in the justice system
- Implement and resource all recommendations from the <u>Our Booris</u>, <u>Our Way</u> report
- Implementation of adequate internal and external review mechanisms in the ACT Child Protection system
- Fund and implement all recommendations from the <u>independent review</u>
 of the service system requirements for raising the minimum age of
 criminal responsibility in the ACT
- Appoint an Aboriginal and/or Torres Strait Islander Children's Commissioner
- Ensure adequate resourcing for the continued implementation of the ACT Aboriginal and Torres Strait Islander Agreement
- Ensure Aboriginal and/or Torres Strait Islander communities are sufficiently supported to participate in and benefit from commissioning process
- Increase investment in Aboriginal community-controlled organisations.

For Aboriginal and/or Torres Strait Islander people, these issues cut across all wellbeing domains, but especially Domain 8: Identity and Belonging.

ACTCOSS appreciates significant funds announced in the 2021-22 Budget for supporting Aboriginal community-controlled organisations, including for a purpose-build facility for Gugan Gulwan Youth Aboriginal Corporation, a residential rehabilitation facility and an upgrade for the Galambany Circle Sentencing court room. However, we believe that the needs of Aboriginal and/or Torres Strait Islander people should be prioritised across all areas of government to ensure equitable outcomes for all.

The ACT Government continues to fail Aboriginal and/or Torres Strait Islander communities across a number of areas, including health, justice and housing and the child and youth protection system.

Aboriginal and/or Torres Strait Islander people experience worse health outcomes in the ACT; 42% identify as having a disability, and 80% say they have one or more current long-term health conditions. ⁵⁶ Across the general population in the ACT, only 19.4% identify as having a disability. ⁵⁷ This large disparity points to systemic problems in healthcare, but it also means that experiences of racism intersected with discrimination experienced by people with disability in the healthcare system have a significant impact on Aboriginal and/or Torres Strait Islander people and families. A lack of access to culturally safe and affordable health care is devastating and can have generational impacts.

Aboriginal and/or Torres Strait Islander people are also at higher risk of experiencing homelessness, housing stress and overcrowding. Despite making up less than 2% of the population in the ACT, Aboriginal and/or Torres Strait Islander people represented 17% of specialist homelessness service clients in 2020-21.⁵⁸ Indigenous people in Canberra are more than twice as likely to live in overcrowded conditions, with 8% of Aboriginal and/or Torres Strait Islander people in overcrowded households, compared with 3% for non-Indigenous people.⁵⁹ Aboriginal and/or Torres Strait Islander people in the ACT are less likely to own their own homes than non-Indigenous people, more likely to be renting, and more likely to be renting from a state or territory housing authority.⁶⁰

Aboriginal and/or Torres Strait Islander people in the ACT are over-policed and over-incarcerated. Although Indigenous people make up less than 2% of the Territory's population, they make up a quarter of the population in the Alexander Maconochie Centre (AMC).⁶¹ Aboriginal and/or Torres Strait Islander people in the ACT are imprisoned at 19 times the rate of non-Indigenous people and are subject to community corrections orders at 12 times the rate of non-Indigenous people.⁶²

⁵⁶ ABS, <u>Data by region: Aboriginal and Torres Strait Islander Peoples</u>, ABS, 2019, accessed 17 March 2022.

⁵⁷ ABS, 4430.0 - Disability, Ageing and Carers, Australia: Summary of Findings, 2018, ABS, 2019, accessed 22 June 2021

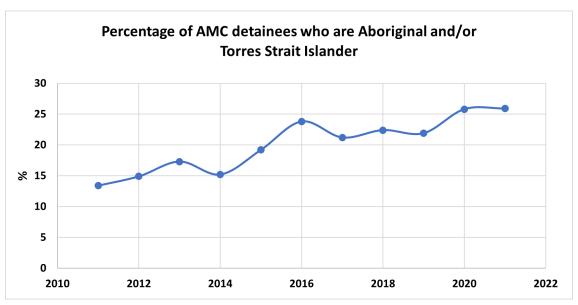
⁵⁸ Australian Government, Australian Institute of Health and Welfare, <u>Specialist Homelessness Services</u> 2020-21: Australian Capital Territory, 30 April 2021, accessed 16 March 2022.

⁵⁹ Australian Government AIHW, <u>Aboriginal and Torres Strait Islander Health Performance Framework:</u> <u>2.01 Housing</u>, AIHW, accessed 17 March 2022.

⁶⁰ ABS, 2016 Census Community Profiles: Australian Capital Territory, ABS, accessed 16 March 2022.

⁶¹ Australian Government Productivity Commission, *Report on Government Services 2022: Justice*, 2022, accessed 28 January 2022.

⁶² Australian Government Productivity Commission, <u>Report on Government Services 2022: Justice</u>, 2022, accessed 28 January 2022.



Source: Data from ABS, Prisoners in Australia, 2021, Table 15.

The proportion of prisoners who are Aboriginal and/or Torres Strait Islander in the ACT has doubled over the last ten years, from 13% in 2011 to almost 26% in 2021.⁶³ The ACT also has Australia's highest rate of recidivism for Aboriginal and/or Torres Strait Islander people, with 91% of Indigenous detainees in the AMC having experienced prior imprisonment.⁶⁴

Rather than an indictment of Aboriginal and/or Torres Strait Islander people, these figures demonstrate the entrenched and systemic racism at the heart of our justice system. To address this problem, we need to ensure mandatory, adequate, and continuous cultural awareness and safety training for all ACT Policing and Corrective Services staff, as well as investing in a high-level inquiry into the over-representation of Aboriginal people in the justice system.

Aboriginal and/or Torres Strait Islander children are vastly overrepresented in the child protection system in the ACT. Indigenous children are 13 times more likely to be in out-of-home care than non-Indigenous children, and a third of those children are still being placed with non-Indigenous carers who are not relatives or kin.⁶⁵

We know that there is a strong relationship between experiences of out-of-home care and the youth justice system, with young Aboriginal and/or Torres Strait Islander people 16 times more likely than non-Indigenous children to be in

⁶³ ABS, *Prisoners in Australia*, Prisoner characteristics, States and territories, ABS, 2021, accessed 1 March, 2022.

⁶⁴ ABS, <u>Prisoners in Australia</u>, Prisoner characteristics, States and territories, ABS, 2021, accessed 1 March, 2022.

⁶⁵ Australian Government Productivity Commission, <u>Report on Government Services</u>: <u>Community Services</u>, Australian Government Productivity Commission, 2022, accessed 25 January 2022.

detention in the ACT.⁶⁶ This entanglement in the Child and Youth Protection Services (CYPS) and justice systems produces life-long harm for young people, their families and communities.

Removal of children from their families should be an absolute last resort, undertaken only when all other support mechanisms have been exhausted. Removals must be subject to thorough oversight that takes into account the role of systemic racism in child protection assessments and decision making. Where children are removed, restoration must be the goal, and cultural safety plans must be enacted. The implementation of adequate internal and external review mechanisms in our child protection system will not only protect families but also provide opportunities for continual improvement within CYPS.

ACTCOSS appreciates that the ACT Government has introduced some measures to address the overrepresentation of Aboriginal and/or Torres Strait Islander children in our child protection system, including beginning the process to appoint an Aboriginal and Torres Strait Islander Children's Commissioner in the ACT. However, the ACT continues to underperform, and underspend compared with other jurisdictions, and it is Aboriginal and/or Torres Strait Islander children who suffer as a consequence.

We must take a whole-of-government approach to each of these areas of concern by listening to what Aboriginal and/or Torres Strait Islander communities are saying, and resourcing community-controlled organisations.

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⁶⁶ Australian Government Productivity Commission, <u>Report on Government Services</u>: <u>Community Services</u>, Australian Government Productivity Commission, 2022, accessed 25 January 2022.

Cost of Living

Recommendations heading

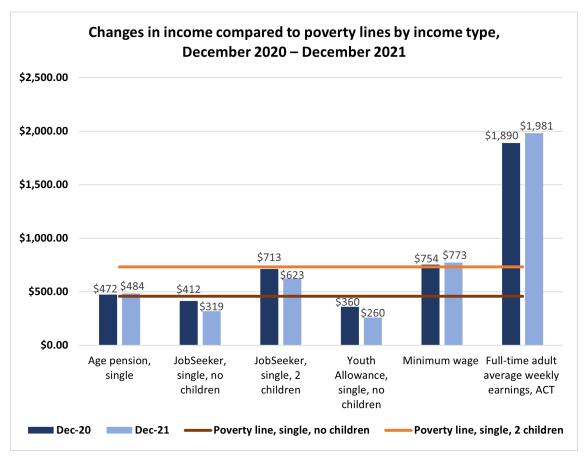
- Ensure concessions are adequate and targeted to need based on the review and update of the Targeted Assistance Strategy
- Introduce an income-based approach to ACT Government fines, fees and other charges
- Align the discount on license fees for Health Care Card holders (currently 50% of costs) with Pension Card Holders (100%)
- Trial free public transport and analyse its costs, benefits and distributional impact
- Invest in integrative health services that prioritise access for people on low incomes, including early intervention and mental health and support for carers
- Ensure the Utilities Concession is adjusted in line with increases in costs of electricity, gas, and water and sewerage services for low-income households
- Consider expanding the Utilities Hardship Fund to Icon Water so it can be accessed by customers experiencing hardship for water and sewerage services.

Wellbeing domain 9: Living standards

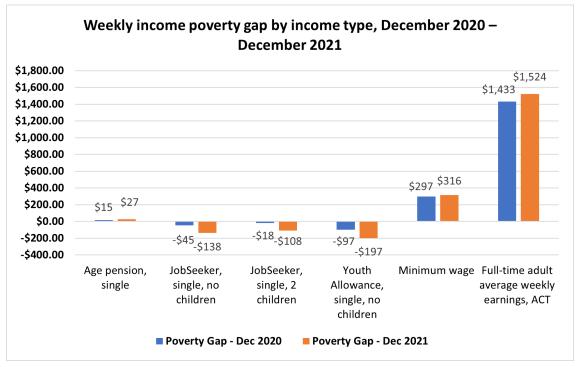
Wellbeing domain 2: Economy

Our 2022 ACT Cost of Living Report shows that Canberrans living on low incomes have been hit hardest by the biggest increase in cost of living in over 20 years. ⁶⁷ Inflation is expected to rise even further this year. At the same time, temporary income supports in the form of the Coronavirus Supplement and COVID-19 Disaster Payment were phased out. As a result, JobSeeker and Youth Allowance payments have returned to well below the poverty line. It is estimated that there are now over 38,000 Canberrans living below the poverty line, including 9,000 children.

⁶⁷ ACTCOSS, <u>2022 ACT Cost of Living Report</u>, ACTCOSS, Canberra, May 2022, accessed 12 May 2022.



Source: Chart derived from Services Australia, <u>A guide to Australian Government payments</u>, Historical versions from 20 September – 31 December 2020 to 20 September – 31 December 2021, Services Australia, Canberra, 2020-21, accessed 21 April 2022; ACTCOSS, <u>2022 ACT Cost of Living Report</u>, ACTCOSS, Canberra, May 2022, Figure 11.



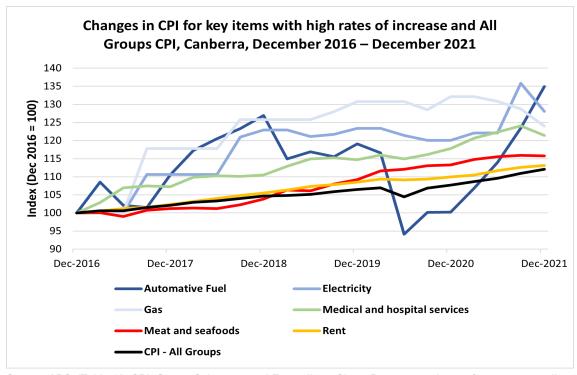
Source: Chart derived from Services Australia, <u>A guide to Australian Government payments</u>, Historical versions from 20 September – 31 December 2020 to 20 September – 31 December 2021, Services Australia, Canberra, 2020-21, accessed 21 April 2022; ACTCOSS, <u>2022 ACT Cost of Living Report</u>, ACTCOSS, Canberra, May 2022, Figure 12.

Far from sharing in an economic and community recovery, more people are seeking support from ACT community sector organisations due to the rising cost of living and declining income support. Over the past 12 months the ACT community sector has seen an increase in demand for social services alongside an increase in poverty, disadvantage and complexity of need among the people and communities they support.

Over the last five years, Canberra has experienced significant increases in prices for the following essential goods and services:

- Automotive fuel (34.9%) and transport (19.2%)
- Electricity (28.1%) and gas (24.0%)
- Medical and hospital services (21.4%)
- Housing (19.0%) and rents (13.1%)
- Education (17.0%)
- Meat and seafoods (15.8%).⁶⁸

Low-income households spend a greater proportion of their income on essential goods and services. These households have been hit hardest by significant increases in the prices of the fundamentals of a healthy life such as housing, food, transport, health services, and energy.



Source: ABS, 'Table 10. CPI: Group, Sub-group and Expenditure Class, Percentage change from corresponding quarter of previous year by Capital City' and 'Table 11. CPI: Group, Sub-group and Expenditure Class, Percentage change from previous quarter by Capital City' [time series spreadsheets], Consumer Price Index, Australia, Reference period December 2021, ABS, 2021, accessed 21 April 2022; ACTCOSS, 2022 ACT Cost of Living Report, ACTCOSS, Canberra, May 2022, Figure 3.

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⁶⁸ ABS, Consumer Price Index, Australia, Reference period December 2021, ABS, 2021, accessed 21 April 2022.

Further priority areas

Health

Wellbeing Domain 6: Health

Primary healthcare in the ACT is expensive and inaccessible. We have the second lowest number of GPs per 100,000 people at 93.6, below a national average of 114 and only 40% of non-referred patients were bulk-billed, compared with a national average of 68%. ⁶⁹ In 2020-21, 4.7% of people in Canberra delayed or avoided seeing a GP due to cost, almost double the national average of 2.4%. ⁷⁰ The strain on the ACT's healthcare system extends beyond primary care with 8.9% of ACT patients waiting more than 365 days for elective surgery, up from 6.9% the year before and above the national average of 7.6% in 2020-21. ⁷¹

To ensure a healthy and well-cared for population in Canberra, the ACT Government must commit to:

- Fully fund the ACT health system so that public patients have equitable access to primary and tertiary healthcare
- Greater investment in the Community Assistance and Support Program (CASP) and chronic illness commissioning processes
- Implement geriatric streaming through Canberra hospitals
- Fund a dedicated palliative care unit, with associated around-the-clock telehealth service
- Develop an Integrated Care Strategy with a focus on chronic health and wrap-around service provision
- Double funding for alcohol, tobacco and other drug (ATOD) treatment and harm reduction specialist services
- Conduct an ATOD sector infrastructure audit

69 Australian Government Productivity Commission, <u>Report on Government Services 2022: Primary and Community Health</u>, Australian Government Productivity Commission, 2022, accessed 1 February 2022.

⁷⁰ Australian Government Productivity Commission, <u>Report on Government Services 2022: Primary and Community Health</u>, Australian Government Productivity Commission, 2022, accessed 1 February 2022.

⁷¹ Australian Government Productivity Commission, <u>Report on Government Services 2022: Primary and Community Health</u>, Australian Government Productivity Commission, 2022, accessed 1 February 2022.

Invest in expanding, resourcing and training the ATOD peer workforce.

Mental Health

Wellbeing Domain 6: Health

The COVID-19 pandemic has had a significant effect on our mental health and wellbeing. In January 2022, Lifeline received 16% more calls than the same time in 2020, and Beyond Blue received 27% more calls, indicating a significant increase in mental distress in the Australian population. The ACT is currently ill-equipped to deal with an expansion of mental distress, with many specialist community sector organisations unable to recruit psychology of counselling staff. This has meant that it can be profoundly expensive to address mental ill-health in Canberra. In 2020-21, more than a quarter (25.2%) of people with a mental health condition, and 30% of people without a mental health condition in the ACT delayed or avoided seeing a psychologist for their mental health due to cost, well above the national averages of 17.7% and 13.3% respectively. This costs \$7.3 billion over a child's lifetime. Fet, funding for perinatal wellbeing remains extremely low.

To deliver robust and sustainable mental health treatment and services the ACT Government must:

- Invest in and train peer workers in mental health
- Fund a respite facility for mental health carers
- Respond to the review for older persons' mental health and invest in targeted mental health supports for older Canberrans
- Invest in targeted mental health supports for specialist services, such as for LGBTIQA+ people
- Invest in ATOD and mental health integrated service provision
- Address significant gap for people with complex mental health issues who are not eligible for the NDIS

⁷² AIHW, Mental health impact of COVID-19 [PDF], AIHW, 2022, accessed 17 May 2022.

⁷³ Australian Government Productivity Commission, <u>Report on Government Services 2022: Services for Mental Health</u>, Australian Government Productivity Commission, 2022, accessed 1 February 2022.

⁷⁴ PWC Consulting Australia, <u>The cost of perinatal depression and anxiety in Australia [PDF]</u>, Report prepared by PwC Consulting Australia for Gidget Foundation Australia, Perinatal Wellbeing Centre, PANDA and Peach Tree, November 2019, p 4, accessed 22 June 2021.

⁷⁵ PWC Consulting Australia, <u>The cost of perinatal depression and anxiety in Australia [PDF]</u>, Report prepared by PwC Consulting Australia for Gidget Foundation Australia, Perinatal Wellbeing Centre, PANDA and Peach Tree, November 2019, p 4, accessed 22 June 2021.

- Adequately fund the implementation of the Mental Health Workforce Strategy
- Invest in integrated housing and mental health support.

Disability

Wellbeing Domain 1: Access & Connectivity

Wellbeing Domain 7: Housing & Home Wellbeing Domain 11: Social Connection

Wellbeing Domain 3: Education & Lifelong Learning

The ACT Government must ensure that people with disabilities are supported to live full, healthy and meaningful lives, free from segregation and discrimination. In 2018, 19.4% of people who usually reside in the ACT had a disability, an increase from 16.2% in 2015.⁷⁶ The rate of disability increases with age and will likely also increase as the COVID-19 pandemic continues. People with disability

increase from 16.2% in 2015.⁷⁶ The rate of disability increases with age and will likely also increase as the COVID-19 pandemic continues. People with disability face discrimination in all areas of life but especially education, the child protection and justice systems and in health care settings. A third of people with disability aged over 20 have completed year 12, compared with 62% of people without a disability.⁷⁷ Young people with disabilities are also overrepresented in the youth justice system in the ACT.⁷⁸ Only 24% of adults with disability experience very good or excellent health compared with 65% of those without disability.⁷⁹

To address outcome disparities and quality of life for people with disabilities, the ACT Government must:

- Ensure adequate funding for the implementation of the Disability Health Strategy
- Focus education funding on transitioning to a fully inclusive education model with the long-term goal of making all schools accessible and inclusive for all students
- Fund systemic disability advocacy, as well as individual advocacy

⁷⁶ ABS, <u>4430.0 - Disability, Ageing and Carers, Australia: Summary of Findings, 2018</u>, ABS, 2019, accessed 22 June 2021.

⁷⁷ Australian Coalition for Inclusive Education, <u>Driving Change: A roadmap for achieving inclusive</u> education in Australia, Australian Coalition for Inclusive Education, 2021, accessed 4 June 2021.

⁷⁸ ACT Inspector of Correctional Services, *Heathy Centre Review of Bimberi Youth Justice Centre 2020*, ACT Inspector of Correctional Services, 2021.

⁷⁹ Australian Coalition for Inclusive Education, <u>Driving Change: A roadmap for achieving inclusive</u> <u>education in Australia</u>, Australian Coalition for Inclusive Education, 2021, accessed 4 June 2021.

- Fund and resource a specialty Disability Legal Service within the community legal sector
- Address lack of accessible and affordable housing for people with disabilities.

Climate and energy

Wellbeing Domain 4: Environment & Climate

Wellbeing Domain 9: Living Standards

Wellbeing Domain 6: Health

We need a fast, fair and inclusive transition to net zero greenhouse gas emissions in the ACT. Transport and energy are the two most significant contributors to ACT emissions. ⁸⁰ Transport and energy are also among the main contributors to increasing cost of living pressures for low-income households in the ACT. ⁸¹ To achieve a just transition in the ACT it will be critical to prioritise supports and safeguards for low-income and other vulnerable households (e.g., rental households) most at risk of being left behind as our transport and household energy shift to renewable sources. These supports and safeguards need to ensure that all ACT households can access affordable, clean and reliable transport and energy.

To implement a just transition, the ACT Government must:

- Implement a fast, fair and inclusive transition to net zero greenhouse gas emissions in the ACT by 2035
- Provide additional funding under the Home Energy Support Program to enable low-income (including private rental and social housing) households to access consumer energy resources and energy efficient heating, cooling, cooking and hot water
- Provide support to low-income households to purchase a zero emissions vehicle and/or access charging infrastructure (privately or publicly)
- Monitor the distributional impact of the Large-scale Feed-in Tarif (LFiT)
 Scheme on ACT energy consumers
- Provide adequate, long-term funding for advocacy for small energy consumers and a just transition in the ACT.

⁸⁰ ACT Government, <u>ACT Sustainable Energy Policy 2020-25 Discussion Paper</u>, Environment, Planning and Sustainable Development Directorate, Canberra, 2019, accessed 2 May 2022.

⁸¹ ACTCOSS, <u>2022 ACT Cost of Living Report</u>, ACTCOSS, Canberra, May 2022, accessed 12 May 2022.

Justice

Wellbeing Domain 5: Governance & Institutions

Wellbeing Domain 7: Housing & Home

Wellbeing Domain 10: Safety

We need to fix the prison. The ACT has the highest rate of re-imprisonment in the country. 2021 ABS data shows that 77% of all detainees had prior imprisonment, well above the national average of 60%. For Aboriginal and/or Torres Strait Islander detainees, it is 94%. While in prison, 82% of detainees reported that it was difficult to get general medical services when needed and 86% said it was difficult to get specialist medical services. Throughout the COVID-19 pandemic, detainees have been regularly locked in their cells for more than 23 hours a day and have missed out on vital community connection, as well as rehabilitative and education programs.

We also need to raise the minimum age of criminal responsibility to keep children out of prisons and away from traumatising and lifelong engagements with the justice system. Aboriginal and/or Torres Strait Islander children aged 10-13 are almost 20 times more likely to be in detention than non-Indigenous children in the ACT. 85 Keeping children in detention is unacceptable and more than half of Australians agree. 86 The ACT Government has committed to raising the age and must now fully fund and resources the service changes required to do so.

To address the serious problems in the justice system, the ACT Government must:

- Implement all recommendations from the Healthy Prison Review of the Alexander Maconochie Centre
- Fund and implement all recommendations from the <u>independent review of</u> <u>the service system requirements for raising the minimum age of criminal</u> <u>responsibility in the ACT</u>
- Resource the Disability Justice and Justice Reinvestment Strategies

⁸² ABS, Prisoners in Australia, Table 29, ABS, 2021, accessed 17 May 2022.

⁸³ ABS, Prisoners in Australia, Table 29, ABS, 2021, accessed 17 May 2022.

⁸⁴ ACT Inspector of Correctional Services, *Healthy Prison Review of the Alexander Maconochie Centre* 2019, ACT Inspector of Correctional Services, 2019.

⁸⁵ Australian Government Productivity Commission, Report on Government Services 2022: Community Services (Youth Justice Services), Australian Government Productivity Commission, 2022, accessed 25 January, 2022

⁸⁶ National Justice Coalition, *Kids do not belong in prison*, Change the Record, 2015, accessed 25 May 2021.

- Adequately fund and resource the ACT National Preventative Mechanisms to carry out OPCAT monitoring and engage with civil society
- Fund a health promotion program for women in the AMC
- Resource a financial literacy and education program at the AMC
- Ensure the community sector is adequately funded and supported to provide services and programs within the AMC
- Implement a needle and syringe program for the AMC
- Greater investment in integrated and accessible front-line service provision for domestic and family violence and sexual assault response
- Ensure ongoing funding for DFV and sexual assault response beyond COVID-19 funding for 2021-22.

Children, young people and families

Wellbeing Domain 2: Education & Lifelong Learning

Wellbeing Domain 6: Health Wellbeing Domain 10: Safety

Canberran families must be supported to healthy and safe, and children must be supported to remain with their families wherever possible. According to data compiled by the Australian Institute of Health and Welfare, many women experienced family violence for the first time during the pandemic, and 42% of women reported that physical violence had increased since the onset of COVID-19.87 The ACT Government must ensure that funding for family violence service providers is sustainable and ongoing.

We must also ensure that children are only removed from their families as an absolute last resort and that the child protection system is truly restorative in focus. The ACT Government spends the least per child on intensive support and protective intervention services at just \$880 per child, compared with the national average of \$1327.88 While the ACT Government has committed to implementing an internal and an external review mechanism for child protection decisions, we need to ensure that those mechanisms are both rigorous and fully resourced. We also need to ensure that Aboriginal and/or Torres Strait Island community members are involved in this process, every step of the way.

⁸⁷ AIHW, <u>Family, domestic and sexual violence service responses in the time of COVID-19 [PDF]</u>, AIHW, 2021, accessed 17 May 2022.

⁸⁸ Australian Government Productivity Commission, *Report on Government Services: Community Services*, Australian Government Productivity Commission, 2022, accessed 25 January 2022.

In order to ensure adequate support for children, young people and families in Canberra, the ACT Government must:

- Ensure sufficient legal, social and housing support for people experiencing domestic and family violence
- Invest in perinatal wellbeing including through in-patient parent and baby care
- Invest in early childhood education and preschools with early intervention strategies for children with developmental delays
- Fund early intervention and supports for families at risk of engagement with child and youth protection services, particularly for families with disability and Aboriginal and/or Torres Strait Islander families
- Implementation of adequate internal and external review mechanisms in the ACT child protection systems
- Fund and implement all recommendations from the Inspector of Correctional Services Healthy Centre Review of Bimberi Youth Justice Centre.

Human Rights

Wellbeing Domain 5: Governance & Institutions

The ACT is committed to being a human rights jurisdiction. However, it is currently very difficult and very costly to make complaints about human rights breaches and to seek conciliation or accountability. This means that people experiencing the most disadvantage, including those experiencing homelessness, those on low incomes or those from migrant and refugee backgrounds, as well as Aboriginal and/or Torres Strait Islander people often have no way of ensuring that they are treated with respect or dignity.

To ensure that the ACT is truly human rights compliant, the ACT Government must:

- Resource the ACT Human Rights Commission to respond to complaints about breaches of the Human Rights Act, and establish an accessible mechanism for human rights complaints
- Resource and support an independent advocacy voice for culturally and linguistically diverse Canberrans in the ACT
- Commit to review police complaints handling mechanisms to ensure greater practical independence, accountability and transparency of investigations
- Through improved access to legal support and better funding for the ACT's community legal services, ensure equality before the law for all ACT

residents, including women and children, Aboriginal and/or Torres Strait Islander people, people with disabilities and other Canberrans facing legal disadvantage.

Planning and transport

Wellbeing Domain 1: Access & Connectivity

Wellbeing Domain 11: Social Connection

Wellbeing Domain 12: Time

Population projections indicate our city will need to support over 600,000 people by 2050.⁸⁹ There is a growing body of evidence that links well-planned cities to good health, wellbeing, human rights, and social justice outcomes.⁹⁰ Similarly, there is a well-established relationship between transport disadvantage, social exclusion and poor health and wellbeing outcomes.⁹¹ In Canberra, transport and automotive fuel have seen the biggest increases in cost over the last five years, and transport remains the third highest category of expenditure for low-income households after housing and food.⁹²

To ensure fairness and equity in all planning and transport policy and processes, the ACT Government must:

- Develop a policy framework and investment model for the long-term provision of community facilities across the ACT
- Require developers to build community infrastructure into new developments
- Fund a transport needs analysis
- Guarantee and adequately fund on-demand transport (like community transport) as well as mass transit (like public transport)
- Extend transport concessions and lift the cap on the Taxi Subsidy Scheme
- Review provision of public transport, including the option of trialling free public transport and evaluating its distributional impact.

⁸⁹ ACT Government, <u>Canberra's living infrastructure plan: cooling the city</u>, ACT Government, 2019, accessed 22 June 2021.

⁹⁰ Planning Institute of Australia, *Planning for Healthy Communities Position Statement*, Planning Institute of Australia, May 2016, accessed 22 June 2021.

⁹¹ L Ma, J Kent and C Mulley, '<u>Transport disadvantage</u>, social exclusion, and subjective well-being: <u>The role of the neighborhood environment—evidence from Sydney</u>, <u>Australia</u>', *The Journal of Transport and Land Use*, 2018, 11(1).

⁹² ACTCOSS, <u>2022 ACT Cost of Living Report</u>, ACTCOSS, Canberra, May 2022, accessed 12 May 2022.