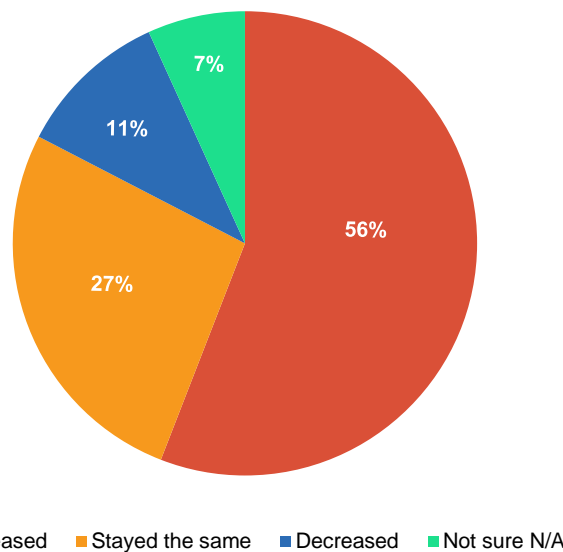


Growing Disadvantage



More than half (56%) of ACT community sector survey staff reported that in 2022, levels of poverty and disadvantage had increased among the groups they support. Cost-of-living pressures (66%), housing and homelessness (61%) and lack of mental health support (60%) were among the top challenges affecting the people and communities our organisations support.

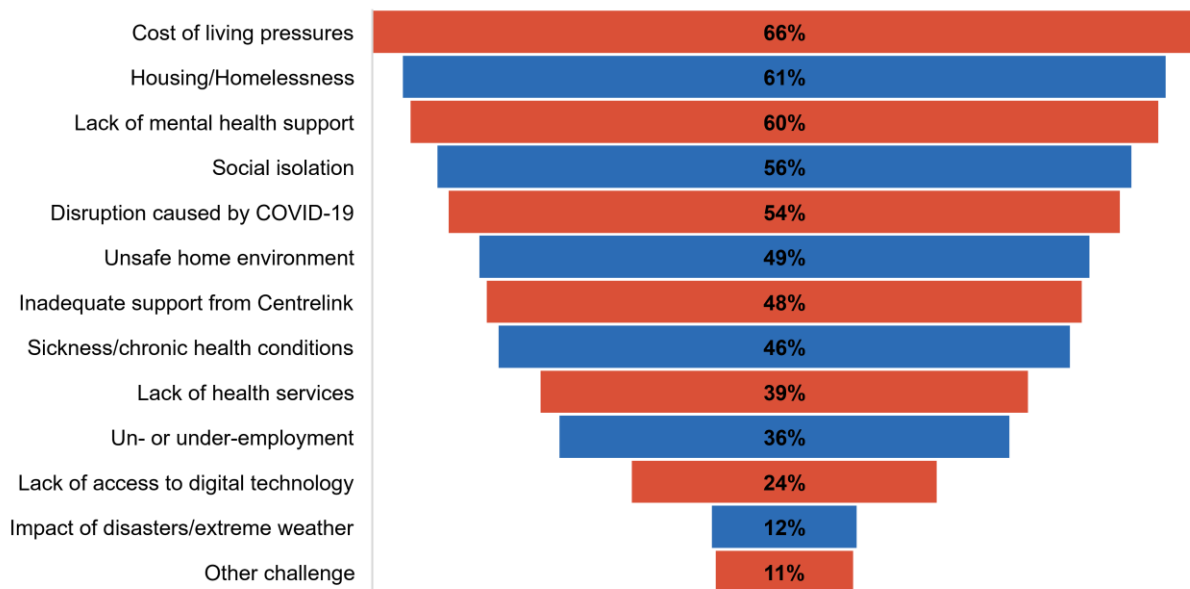
Levels of Poverty and Disadvantage



As the ACTCOSS [2022 ACT Cost of Living Report](#) highlighted, Canberrans have experienced some of the largest increases in the prices of essential goods and services in over two decades. People in the ACT are now paying, on average, 20% more than they were five years ago for essential goods and services including transport, electricity, health services, housing, education, and food.

Housing is by far the biggest issue faced by vulnerable people. The only sustainable long-term solution is to build more public housing - this would solve so many problems.
 ACT Community Sector Worker, 2022

Challenges affecting the people and communities your organisation supports



I am seeing clients who are struggling to live day to day due to rising interest rates, rent and everyday cost-of-living increases. People on moderate incomes who are accessing emergency relief and food banks because they cannot afford groceries, they are extremely stressed and overwhelmed and cannot access adequate mental health supports. Clients are turning to unsuitable loan products and Buy Now Pay Later products to get by. Clients who are on Centrelink income support struggle even more.
 ACT Community Sector Worker, 2022

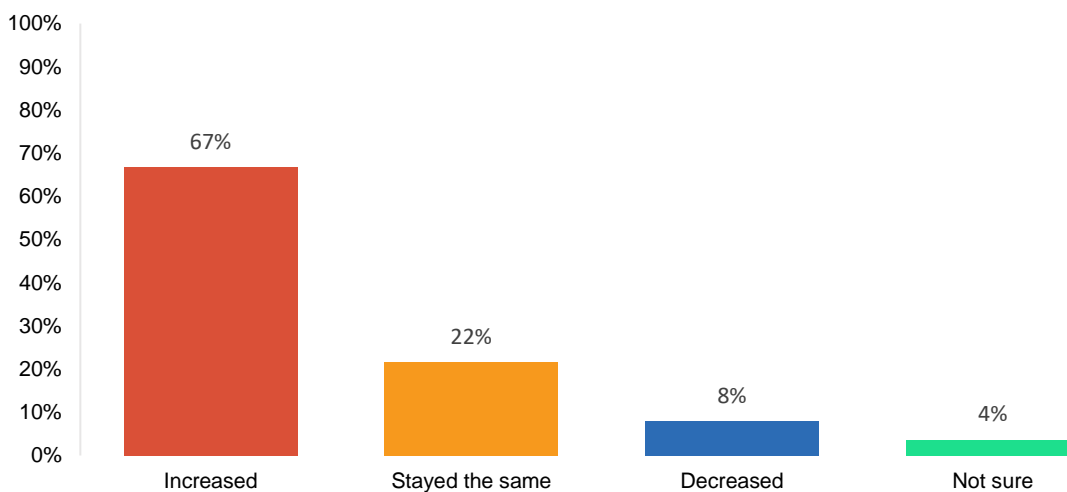
Increased Demand



More than two thirds of participants reported that levels of demand for their main service increased (67%) and that there was growing complexity of need among service users (69%) during 2022.

Concerningly, only 4% of organisations were always able to meet the level of demand, and almost half of participants (47%) noted an increase in the number of clients that they could not support in their services. Almost half of organisations (43%) experienced increased wait times over the last year.

Levels of demand for service

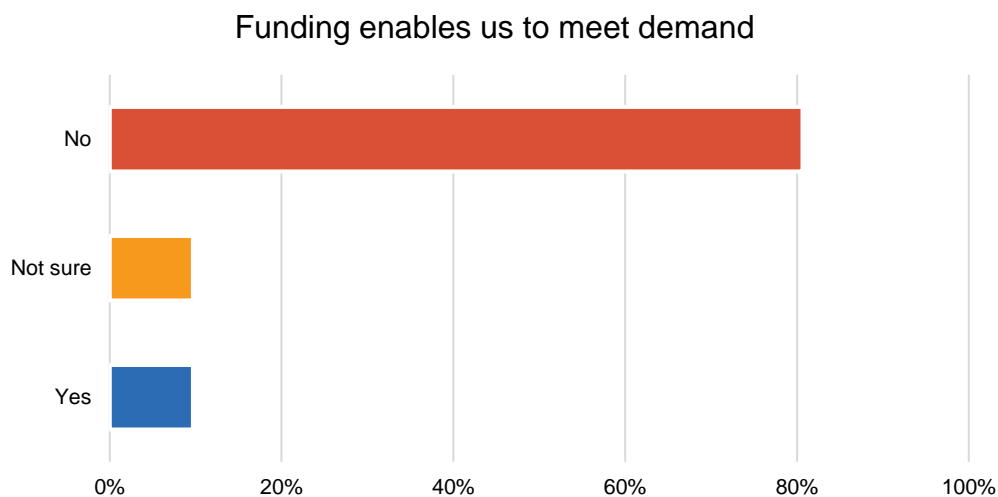


In addition to increasing demand and the complexity of needs, inadequate indexation (particularly in the context of inflationary pressures) have placed enormous strain on services and frontline staff. Exhaustion, burnout, and low morale are having a devastating effect on the workforce, and services are universally reporting difficulties attracting and retaining staff. ACT Community Sector Worker, 2022

Insufficient Funding



Insufficient funding for the full costs of service delivery is an enduring problem for community sector organisations. The uncertainty and instability of funding arrangements has continued to cause difficulties for organisations in long-term strategic planning for sustainability.



We are now grappling with the cumulative effect of years of inadequate indexation - and there simply is nothing more we [can] do to rein in costs or generate efficiencies without compromising our capacity to do our core functions.

CEO/Senior Management, Community Sector, 2022

A staggering 84% of community sector organisations in the ACT have indicated that their current funding is not sufficient to adequately respond to increasing demand for their services. Organisations continue to face challenges that impact upon their service capacity and ability to meet the needs of vulnerable community members.

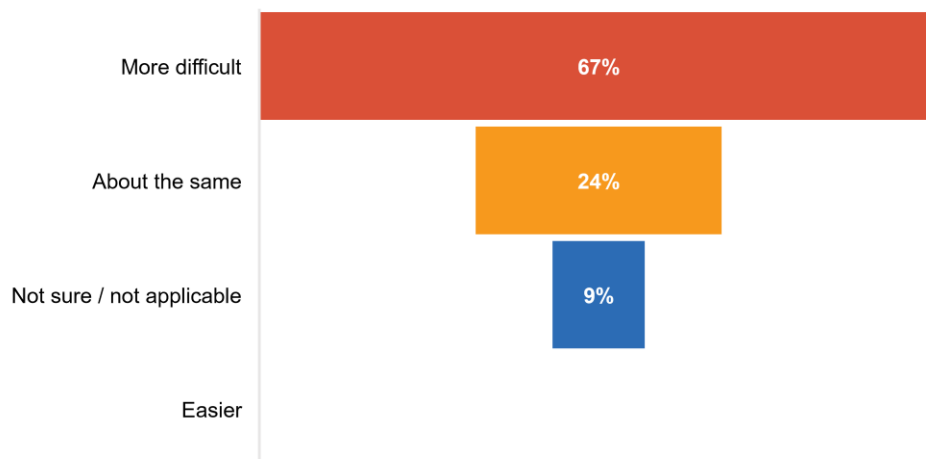
Staff Capacity



Difficulties in recruitment and retention of trained, experienced staff is a major challenge for the ACT Community sector. More than two thirds (67%) of organisations report that they found it more difficult to attract and retain staff in 2022.

*Without sufficient resources to meet funding bodies' expectation[s], staff are experiencing significant workload and burnout. We struggle to offer wages that are competitive with other sectors, particularly the public sector and given our location in the ACT.
CEO/Senior Management, Community Sector, 2022*

Has it become easier or more difficult to attract and retain staff, during 2022?



More than 80% of CEOs and Senior Managers said they received insufficient funding to employ enough staff and no organisations were funded for backfilling staff absences. Increasing demand for services has led to a need for additional staff. A competitive labour market, limited funding, and high demand for skilled, experienced workers have created difficulties for organisations and placed pressure on existing staff, leading to increased stress and burnout.

ACTCOSS supports recommendations from ACOSS to improve the sustainability of the community sector.

This Federal Budget, we call on the Federal Government to:

1. **Fund the full cost of service delivery**, including infrastructure, management, workforce development and administration costs in all Commonwealth grants and contracts for community services.
2. **Create a fairer tax system** to fund quality essential services and a social security system that meets need starting by cancelling stage 3 tax cuts.
3. **Lift base rates of income support payments** like JobSeeker and Youth Allowance to at least \$76 a day.

