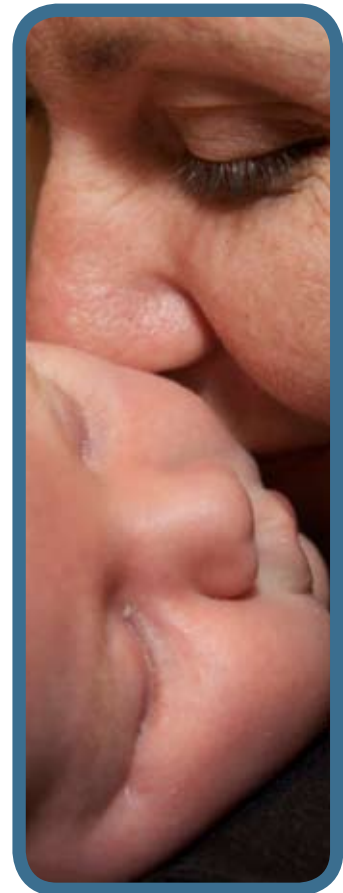




National Disability Services
Queensland

The State of the Sector 2009



NDS Queensland's State Budget submission
www.ndsqldprojects.net/sos

Introduction

National Disability Services (NDS) is the peak representative body for more than 650 non-government disability services throughout Australia. Collectively, our members operate several thousand services for Australians with all types of disability. NDS members range in size from small support groups to large multi-service organisations, and are located in every state and territory across Australia.

This document constitutes our pre-budget submission for the Queensland Budget for 2010-11.

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During regional conversations with the Minister for Disability Services and Multicultural Affairs, service providers asked, "What would it take to create a disability service system that meets the needs of all Queenslanders?"

The state of the disability sector in 2009

Although Queensland continues to boom, many challenges facing the disability sector remain unmet.

As the population of Queensland continues to rise, the demand for specialised disability services continues also. However, we have failed to make a significant impact on the level of unmet need within the community.

In 2009 we came no closer to bridging the gap between Queensland's per capita disability funding level and the national average. We came no closer to achieving funding levels for non-government organisations that reflect the actual cost of delivering services — particularly in regional Queensland. Of most concern, we came no closer to addressing the fragmented, underfunded service responses to children with disability in Queensland.

For the Queensland Government, 2009 saw significant machinery of government changes which brought disability services under the broader community services banner. This brought with it opportunities for administrative streamlining and integrated service responses.

The promise of coherence between housing and disability support responses, single service agreements and integrated quality systems has been well received by the sector. The Queensland Government's decision to remain



in the business of direct disability service delivery, while continuing its roles as funder and regulator, has remained a point of contention for the sector. Similarly, the decision to effectively neutralise the role of the Public Advocate by bringing the office under the auspices of the Adult Guardian's office was of major concern. Both of these issues are critical to building and maintaining integrity in our human service system and would benefit from comprehensive public debate.

Community managed organisations have continued to deliver approximately 76% of state funded disability services,¹ employing 19,564 staff and contributing \$2.8 billion to local economies across the state.²

The *Queensland Budget 2009/10* provided some welcome supplementation for significant and much needed wage increases. However, it is noted that while services have been reviewing their business models and practice frameworks, shortfalls in the supplementation package served to further compromise viability for many organisations.

Attracting and retaining a skilled, committed workforce, particularly with the anticipated return to tight labour market conditions, remained a focus for disability organisations. However,

Footnotes:

1. *Report on Government Services 2010*, Chapter 14, *Services for people with a disability*

2. NDS Queensland – *The Economic Contribution to Queensland from Disability Service Providers* report and Remplan – Compelling Economics

the much needed investment in job design research and practice did not occur. Instead we saw continuation of the trend at both Commonwealth and State level to offer training responses rather than the genuine workplace reform required if we are to build the workforce we need to meet demand in the future.

Overall, the year has brought a stronger commitment from both government and the sector to work together in partnership, as evidenced by progress with the *Queensland Compact*. Disability organisations have been highly supportive of government efforts to streamline funding programs and improve access to services, however, the greatest challenge to community-managed disability organisations in Queensland is funding arrangements that do not reflect the actual cost of delivering those services.

In spite of this, 2009 has seen growth in the resourcefulness and resilience of service providers and their stakeholders.

The *NDS State of the Sector 2008* flagged the emergence of community of practice type networks and alliances across the state — groups of people from both government and non-government agencies with a shared commitment to providing better services and better outcomes for people with disability. In 2009, we have seen this movement expand to include people with disability, their families, carers, local business, academics and other concerned citizens.

By mid 2009, a group of people that included family and system advocates, senior public servants, NDS staff, service providers, people with disability, carers and others, had met to



Service provider at the launch of the *Blue Skies Scenario*.

articulate a vision for a different future for people with disability and their families — *The Blue Skies Scenario*. This vision is both rights based and aspirational, with people with disability and their families as the central reference point. Its reach extends across commonwealth, state and local government and demands a major paradigm shift from deficit or impairment-based approaches to strengths-based approaches to policy and practice.

At a policy level, the Blue Skies vision means investing in capacity building for people with disability, family, service providers and the community. At a practice level, this means services responding to the person's needs and aspirations for a quality life, rather than needs identified using impairment based, functional assessment tools.

In the lead-up to the 2009 International Day of People with Disability, more than 1,500 Queenslanders from all parts of the community came together in conversation around the ideas and challenges for an inclusive

community offered in the *Blue Skies Scenario*. The support for the Blue Skies vision has extended well beyond the disability sector and will be a key driver for change during 2010. The vision has been well supported by our current Minister for Disability Services and Multicultural Affairs, the Hon Annastacia Palaszczuk, and has informed the development of a 10 year plan for disability services which the sector is eagerly awaiting.

The Blue Skies movement has been significant from a peak body perspective in two key respects.

Firstly, it demonstrates that the diverse range of stakeholders that make up the disability sector

are not only motivated, but capable of working together to change the way our state responds to the needs of people and their families. The Blue Skies movement creates a context for significant social reform — relationships, shared purpose and clear direction, positioning government as an enabler, rather than driver of change. It also creates expectations of higher levels of community engagement in policy development and reform and a shift from central to local planning and decision making around disability service provision.

Secondly, the *Blue Skies Scenario* has highlighted a range of strategies for responding

to the needs of people with disability in the long term — the most promising of which is a National Disability Insurance Scheme. While the results of a feasibility study into this important idea will not be available until mid 2011, it is highly likely the Queensland disability community will invest significant energy into shaping and supporting an entitlement-based scheme which addresses:

- personal care;
- therapy;
- aids and equipment;
- community support; and
- other specialised disability services needed to participate in one's community of choice.



Service providers during an NDS forum.

The economic contribution to Queensland from disability service providers

Our previous State of the Sector reports have highlighted lack of data on our workforce and on the business of service delivery as a barrier to performance management and planning for a sustainable future. Workforce capacity surveys conducted during 2007 and 2008 (Rimfire) have provided useful benchmarks for salaries, turnover and qualification levels. However, the most significant contribution of data has come with a recent NDS study — *The Economic Contribution to Queensland from Disability Service Providers*.

Following a direct survey of more than 90 disability service providers, NDS worked with the Queensland University of Technology and Compelling Economics to estimate the economic contribution to Queensland from disability service providers. NDS estimates that the direct expenditure of community managed disability organisations in the 2008/09 financial year was more than \$945,854,000 (\$181 million of which was through disability employment network providers).

Governments contribute approximately 83% of this figure with the State Government contributing approx 55% and Commonwealth contributing 28%. Fundraising is estimated to



Service provider at an NDS forum.

contribute 4.3% of the remaining 17% of funding from other sources.

Using the economic modelling software “Remplan” by Compelling Economics,³ NDS has been able to estimate that the 19,500+ people employed by Queensland disability service providers would be equivalent to a direct output of \$1.2 billion.

The flow on industrial and the consumption effects (through the purchase of goods and services) results in an estimated economic contribution of \$2.8 billion and a workforce contribution of more than 25,500 — that is, modelling tools from Compelling Economics project that for every 100 jobs created in disability service provision, another 30 jobs are created through flow on industrial and consumption effects.

It is the position of NDS Queensland that addressing the funding shortfalls and building capacity in the disability workforce represents a strong investment — not only in terms of responding to the needs of people with disability — but in the future of Queensland communities.

For more information, please see the full report — *The Economic Contribution to Queensland from Disability Service Providers* (available www.ndsqldprojects.net).

Footnotes:

3. It is noted that the contribution of 19,564 jobs assessed by Remplan - Compelling Economics to the State economy is based on Community Services data whereas service providers have staff employed in other industry sectors such as manufacturing which have higher levels of economic impact.

Key areas for reform in 2010



NDS has identified three (3) primary areas for reform as Queensland moves into 2010:

1. Funding;
2. Compliance; and
3. Workforce.

Funding



Service provider at an NDS conference.

At a time when community managed organisations require additional investment to meet increased demand, the government investment in Queenslanders with disability remains well below the national average.⁴ The underinvestment in children's services has become critical and these services are particularly vulnerable to cut backs in service delivery.⁵

Across all service types, the failure of funding and indexation arrangements to reflect the actual cost of delivering services remains a major challenge. The long awaited funding policy work which NDS and many service providers contributed to in 2008, failed to deliver on the promise of an agreed, transparent cost of service. The transition to outputs-based funding has been welcomed by the sector and is currently being piloted in a number of regions.

Recommendations

1. That the level of investment in disability services in Queensland be increased to match the national average per potential population.
2. That the cost of service (as established in the 07/08 funding policy work) be consistently and transparently applied as a basis for contracting arrangements with community managed organisations.
3. That the shortfall in wage rise flow on be addressed over the next three years of implementation.
4. That Disability Services assume leadership in the coordination and strengthening of investment in children's services from 0-18, offering seamless, well planned transition into adult disability services.

Footnotes:

4. Based on October 2008 CSTDA figures, the average national per capita expenditure is \$4,883 per service user, while the average Queensland per capita expenditure is \$3,852 per service user.

5. In 2008, there were an estimated 64,000 Queensland children with a disability. Of those, 10,429 children receive some services to enhance educational outcomes through the Non-Government Centre's Support element of the *Literacy, Numeracy and Special Learning Needs Program*. Another 4,622 children (0-14 yrs) receive some services from Department of Communities, Disability Services.

Compliance

A recent Productivity Commission report⁶ confirmed the position stated in previous State of the Sector reports, that compliance and reporting obligations by community-managed organisations should be appropriate to the level to which the organisation's activities are funded.

While significant progress has been made by the newly integrated Department of Communities with regard to reducing administrative burden and streamlining of quality systems, the regulatory burden on disability organisations remains excessive, given the overall level of funding.

The financial and compliance related administration burden impacts on disability organisations of all types and sizes, but is most marked in services with less than \$3 million revenue.

Recommendation

5. That government invest in the establishment of a finance and compliance related administration service (non-government) allowing community managed non profit organisations to focus on their core business and become more efficient, self-reliant and sustainable in the long term.

Footnotes:

6. The Productivity Commission's *Contribution of the Not-for-Profit Sector - Draft research report*



Service provider at an NDS forum.

Workforce



Service provider at an NDS stall during a careers expo.

The community service sector is continuing to experience unprecedented growth in demand for its services while the age of its workforce increases. Recent award wage increases are likely to make the sector more attractive, however, funding arrangements that do not meet the cost of these wage increases present additional challenges to viability for disability organisations. The most critical area of shortage for the sector at present is therapists — particularly in children services.

While the labour shortages associated with an ageing population present a range of opportunities for increasing the level of participation by people with disability in the workforce, no such increases have been noted. A report by Access Economics on the *Economic Value of Informal Care* (2005) indicated that the level of participation in full time work by primary carers in Australia is less than half that of the general population. The Taskforce on Care Costs, in their 2007 report, *The Hidden Face of Care*, recommended a care cost reimbursement program, greater access to support, and greater workplace flexibility as the most effective drivers of greater participation.

Recommendation

6. That government invest in an incentive program targeting:
 - (a) the attraction and retention of therapists in the disability sector; and
 - (b) increased participation and productivity of people with disability and their primary carers in the workforce.

Recommendations for the 2010/11 Queensland Budget

NDS Queensland recommends:

1. That the level of investment in disability services in Queensland be increased to match the national average per potential population.
2. That the cost of service (as established in the 07/08 funding policy work) be consistently and transparently applied as a basis for contracting arrangements with community managed organisations.
3. That the shortfall in wage rise flow on be addressed over the next three years of implementation.
4. That Disability Services assume leadership in the coordination and strengthening of investment in children's services from 0-18, offering seamless, well planned transition into adult disability services.
5. That government invest in the establishment of a finance and compliance related administration service (non-government) allowing community managed non profit organisations to focus on their core business and become more efficient, self-reliant and sustainable in the long term.
6. That government invest in an incentive program targeting:
 - (a) the attraction and retention of therapists in the disability sector; and
 - (b) increased participation and productivity of people with disability and their primary carers in the workforce.



National Disability Services

***Promoting the development of quality services
and life opportunities
for Australians with disabilities***

National Disability Services

a PO Box 893, Lutwyche QLD 4030

Suite 9, Level 4, Lutwyche Centro

Shopping Centre QLD 4030

p 07 3357 4188

f 07 3357 4288

e valmae.rose@nds.org.au

ABN 52 008 445 485