

No deal: Stalemate threatens assistance to vulnerable South Australians

On a day when South Australians face rising utilities prices, council rates, and other growing cost of living pressures, the SA Council of Social Service has revealed that vital financial counselling services are being jeopardised by the failure of the Minister for Families and Communities to negotiate with the non-government sector, which is supposed to be delivering the services.

The 2010-11 State Budget cut some 44 positions from the Families SA Anti Poverty Unit—almost half of their staff with responsibility for financial counselling services and administering Emergency Financial Assistance. It has recently been revealed that the plan was to replace these with the equivalent of just 4 positions in the non-government sector.

Despite Minister Rankine's assertions in Budget Estimates on Thursday that government is "partnering" with particular non-government organisations to deliver services, SACOSS is aware that a number of the key organisations she named have in fact not signed the contracts on offer, as the deal short-changes the sector and represents a severe cut in crucial services to vulnerable South Australians.

SACOSS Executive Director, Ross Womersley said,
"The Sustainable Budget Commission suggested last year that the assumption would need to be tested that non-government organisations would fill the gap in services. The government did not talk to the community sector agencies then, and nine months on – and on the day the new arrangements should have been in place—we are still waiting. The Minister has not met with the sector about this, despite repeated requests".

"Families SA is already sending clients to non-government organisations, but with no extra resources, this is simply translating into longer waiting lists, which in turn means more stress for vulnerable people and often deepening financial problems—or worse."

"We have now been presented with the Department's plan as a *fait accompli*. We are concerned that this represents an unacceptable cut in vital services. A number of the NGOs who would normally provide those services on behalf of government are not signing up and are holding out for a better deal."

SACOSS calls on the Minister, as a matter of urgency, to negotiate a new deal *with the sector as whole* to ensure that adequate services are available.

Womersley said, "Financial counselling is a vital service that provides advocacy for and assistance to households experiencing financial stress. It is particularly important as we know that household financial pressure leads to poorer mental and physical health for individuals, and greater stresses on relationships and families. Financial counselling is simple, effective intervention that can help put people's lives back on track".

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