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Australian Community Sector Survey

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

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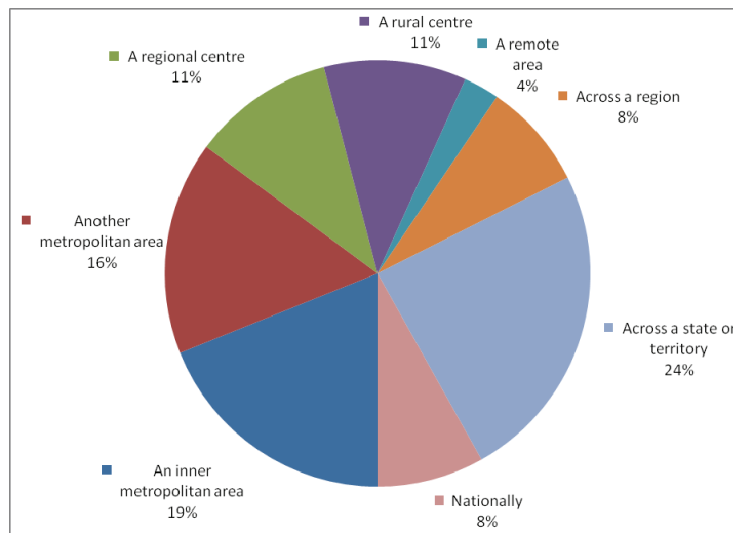
South Australia Survey Results

Demand

Service coverage

Organisations operating across the state made up 24% of all respondents. Eleven percent of organisations operated in a regional centre, 19% in an inner metropolitan area, and 16% in another metropolitan area. Eight per cent of organisations operated nationally, 11% in a rural centre, and 4% in a remote area.

Figure 1.1



Service users

As Table 1.1 shows, specific groups within the Australian population are over-represented as users of community and welfare services.

Table 1.1: Service users by population group

Population group	Population group as a percentage of the Australian population	Population group as a percentage of service users	Ratio of column one to column two
People with a disability	20% ¹	18.9%	0.9
Indigenous	2.3% ²	6.4%	2.8
Jobless	34.5% ³	34.7%	1.0
Culturally and linguistically diverse background	21% ⁴	18.0%	0.9
Single parents	2.4% ⁵	18.5%	7.7
Women	50% ⁶	47.4%	0.9
Not Australian citizens	4.6% ⁷	6.7%	1.4

The overrepresentation of almost every population group listed in Table 1.1 is an indication of the importance of community and welfare services in the lives of low income and disadvantaged groups within the community.

Single parents are 7.7 times more likely to use community and welfare services than their representation in the general community would suggest. Compared with other family types, single parent families are considered to be in greater need of support services in areas such as income, housing, employment, and social participation⁸. Government pensions and allowances were the principal source of income for 61% of single parent families, the majority of which are headed by women (87%)⁹. As the number of single parent households continues to increase, a greater number of children are likely to spend at least some of their childhood in a single parent household, and many parents will experience sole parenting.

Indigenous people are 2.8 times more likely to use community and welfare services than their representation in the general community would suggest. The health and welfare outcomes for Indigenous Australians continue to be lower than that of non-Indigenous Australians. For example, Indigenous Australians are more than twice as likely as non-Indigenous Australians to need help with core daily activities because of disability¹⁰. Aboriginal and Torres Strait Islander people are over-represented in the homeless population, making up 9% of homeless people¹¹.

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

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

3 This figure is derived from ABS, Labour Force, March 2009.

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

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

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

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

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

9 Ibid.

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

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

For many people accessing welfare and community services, social security payments are their primary source of income. Table 1.2 illustrates the average percentage of recipients of different allowances and pensions accessing services.

Table 1.2: Service users – income support recipients

Payment type	Percentage of recipients in the Australian population ¹²	Average percentage of service users	Ratio of representation in population to service users
Aged pension	10% ¹³	13.9%	1.4
Parenting payment (Single)	2% ¹⁴	16.1%	8.0
Carer payment (Adult & Child)	2% ¹⁵	7.3%	3.7
Newstart allowance	3% ¹⁶	13.8%	4.6
Youth allowance	2% ¹⁷	13.2%	6.6
Other pension ¹⁸	4% ¹⁹	33.2%	8.3
Other allowance ²⁰	0.3% ²¹	17.0%	56.7

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

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

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

Other services and supports

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

Housing and homelessness and *financial and material support* services were identified as being a high or medium unmet need by 73% of respondents. *Health services* (70%) were also identified as being high or medium unmet need.

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

12 Data from June 2009

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

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

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

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

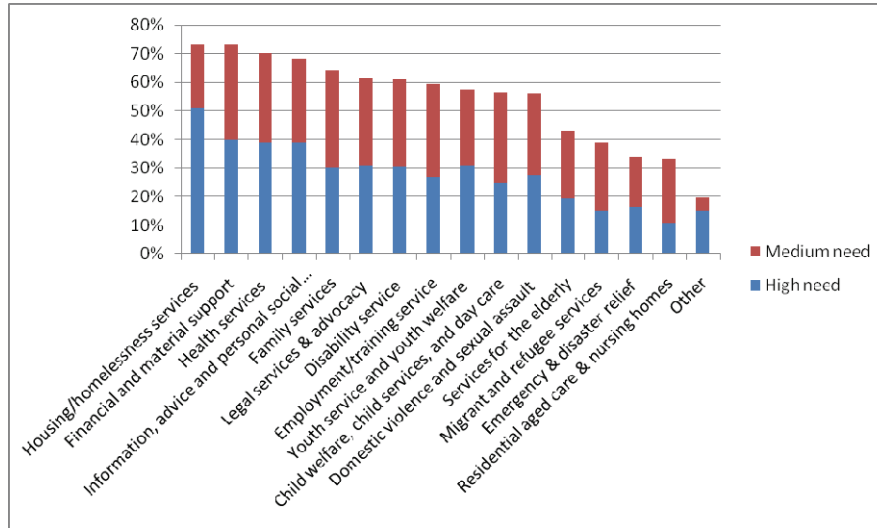
17 Ibid

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

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

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

21 Ibid



Demand for services

In 2008-09 respondent organisations provided services on 132,222 occasions, a 6% increase on the 124,196 instances of service provision in 2007-2008.

It should be noted that due to relatively small sample size, the figures in the two tables below are likely to underestimate service provision and turn away rates across the community and welfare services. Percentages should be interpreted with caution.

Table 1.3: Service provision 2008-2009 and 2007-2008

	2008-09	2007-08	Increase (%)
Child welfare, child services, and day care	47,635	46,185	3%
Disability services	1,690	1,385	22%
Domestic violence and sexual assault	2,618	3,206	-18%
Emergency & disaster relief	-	-	-
Employment/training services	11,064	10,650	4%
Family services	4,940	4,695	5%
Financial and material support	4,856	4,148	17%
Health services	2,706	2,661	2%
Housing/homelessness services	1,015	1,218	-17%
Information, advice and personal social services	6,422	5,472	17%
Legal services & advocacy	3,155	2,610	21%
Migrant and refugee assistance	10	10	0%
Residential aged care & nursing homes	-	-	-
Services for the elderly	2,300	2,000	15%
Youth service and youth welfare services	30,110	29,879	1%
Other	13,701	10,077	36%
TOTAL	132,222	124,196	6%

In 2008-09 respondent agencies turned away people who were eligible for their services on 6,492 occasions. This is the equivalent of one in twenty people being turned away. Of people turned away, 45% were seeking financial and material support.

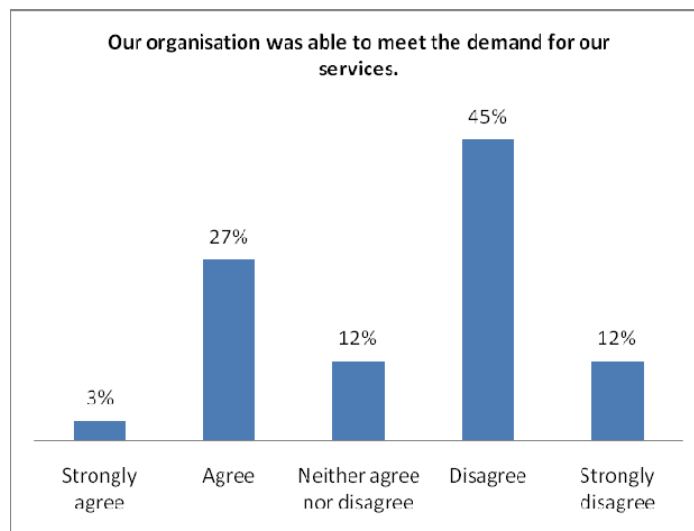
Aggregate turn away figures across all services increased 19% from the 5,540 times people were turned away by the same services in 2007-08.

Table 1.4 Turn away rates

	Number of times people were turned away 2008-09	Percentage as total turn away 2008-09	Number of times people were turned away 2007-08	Difference 2008-09 and 2007-08 %
Child welfare, child services, and day care	350	5%	340	3%
Disability services	362	6%	310	17%
Domestic violence and sexual assault	60	1%	60	0%
Emergency & disaster relief	10	<1%	10	0%
Employment/training services	100	2%	100	0%
Family services	165	3%	150	10%
Financial and material support	2,929	45%	2,419	21%
Health services	165	3%	135	22%
Housing/homelessness services	515	8%	460	12%
Information, advice and personal social services	80	1%	0	-
Legal services & advocacy	551	8%	511	8%
Migrant and refugee assistance	-	-	-	-
Residential aged care & nursing homes	405	6%	305	33%
Services for the elderly	800	12%	650	23%
Youth service and youth welfare services	-	-	-	-
Other	-	-	-	-
TOTAL	6,492	100%	5,450	19%

When asked if their organisation was able to meet demand for services, 57% of respondents disagreed (45%) or strongly disagreed (12%).

Figure 1.3



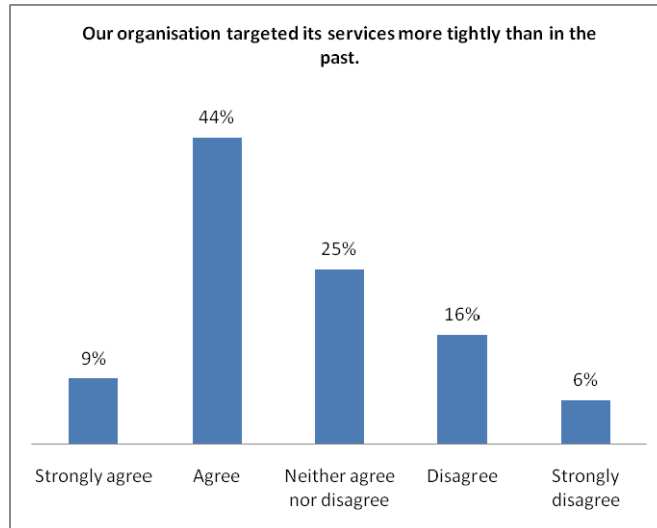
Service targeting

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

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

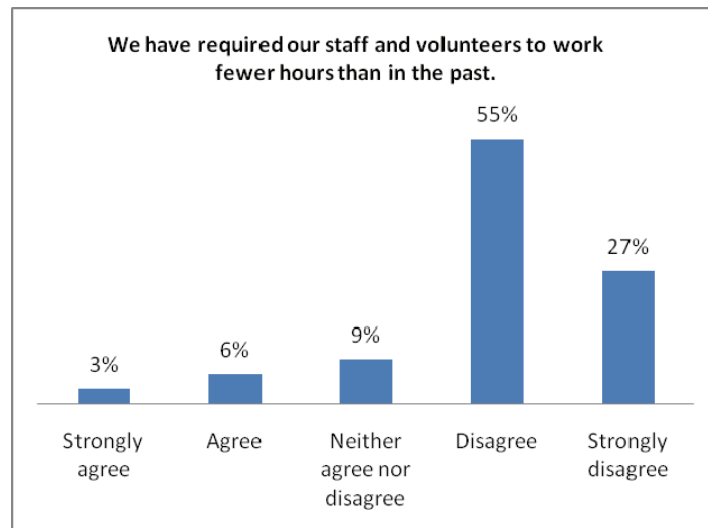
Any change in service targeting is, therefore, an important gauge of both demand for services, and organisational resources relative to this demand. When asked if their organisation had targeted services more tightly than in the past, 53% of respondents agreed (44%) or strongly agreed (9%).

Figure 1.4



Organisations will often respond to increased demand and service delivery pressures by increasing the hours that their staff work. When asked if staff and volunteers had been required to work fewer hours than in the past, 82% of organisations disagreed (55%) or strongly disagreed (27%).

Figure 1.5



Delivery

Character of the workforce

Paid staff

In 2008-09 respondent organisations employed 1,128 paid staff (Full Time Equivalent), and engaged 1,428 volunteers (FTE).

There were 117 volunteer board/ management committee members, and 2 paid board members. It is noteworthy that organisations of all sizes are governed primarily by volunteer boards.

Staff hiring and leaving

Respondent organisations reported that there was a net increase of 201 Full Time Equivalent (FTE) employees working in respondent organisations during 2008-09. This represents an increase of 18% on the total number of paid staff.

Table 1.5: Staff hired and left 2008-09

	Hired (FTE)	Left (FTE)	Difference (FTE)
Administration	22	6	16
Communications/ Media	1	0	1
Finance	3	2	1
Management	26	14	12
Policy, research or advocacy	2	3	-1
Service delivery	354	184	170
Other high-skilled professional	2	0	2
Other	1	1	0
Total	411	210	201

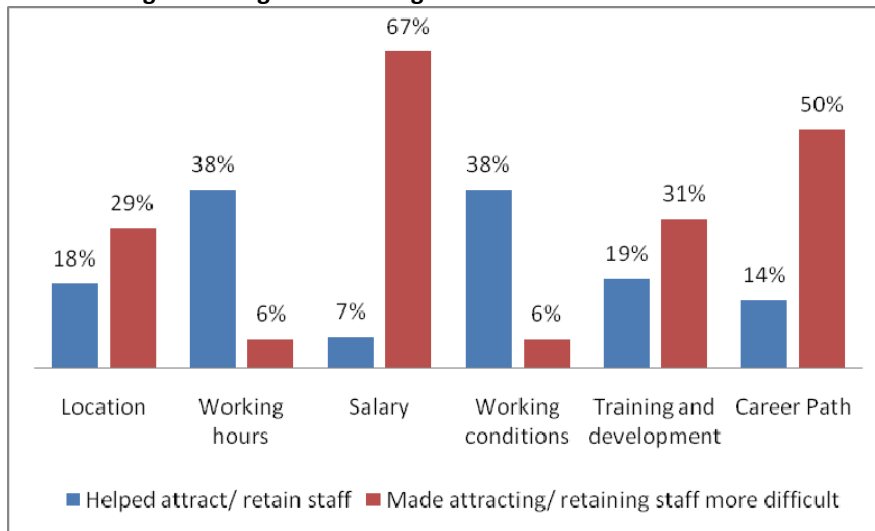
Staff turnover

Average staff turnover across respondent agencies was equivalent to 19%.

Attracting and retaining staff

Respondents were asked to indicate if a range of factors affected their organisation’s ability to attract/ retain staff. Working hours and working conditions were the most frequently reported factors that helped attract or retain staff. Salaries were considered by 67% of organisations to make attracting/ retaining staff more difficult.

Figure 1.6: Factors affecting attracting and retaining staff

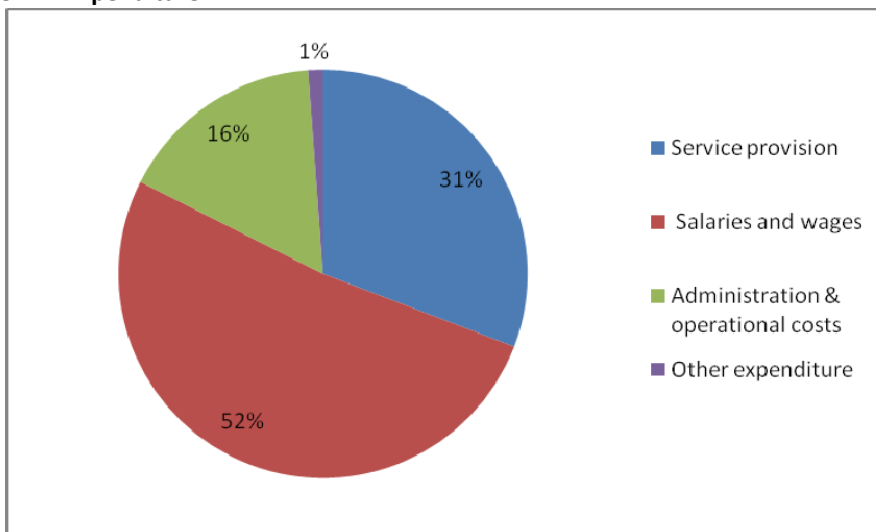


Income and Expenditure

Expenditure

Organisations were asked to provide details of their expenditure. *Salaries and wages* constituted the majority of expenditure (52%) while *service provision* costs made up nearly a third of expenditure (31%).

Figure 1.7: Expenditure

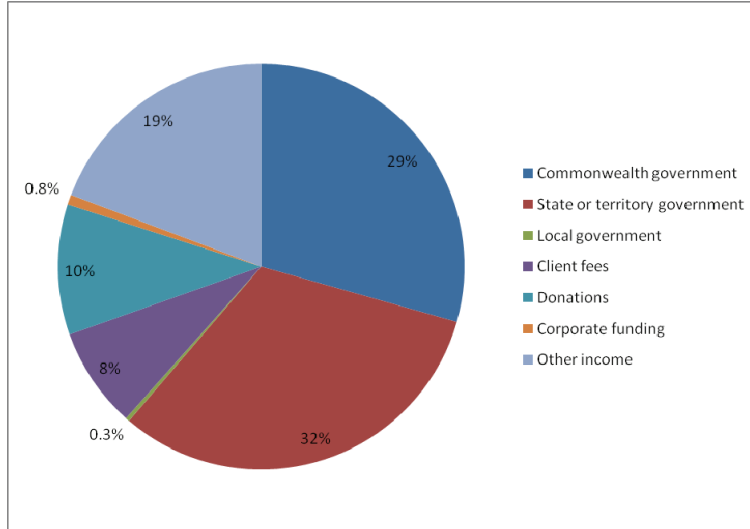


Income

In total dollar amounts, all respondents received on average 29% of income from the Commonwealth government, 32% from the State government, and 19% from other sources (for example from investments or sale of assets)²².

²² These are aggregate figures. The disaggregate figures contain considerable variance.

Figure 1.8: Sources of income



The majority of respondent organisations reported that their primary source of funding was the State government (32%) or Commonwealth government (32%). While many organisations reported that their funding was ongoing/recurrent, this varied by funding source.

Table 1.6: Funding Sources

Funding source	Organisation’s primary source of funding %	Funding is ongoing/recurrent %
Commonwealth Government	32%	71%
State/Territory Government	32%	43%
Local Government	14%	33%
Client Fees	9%	50%
Donations	9%	100%
Corporate	-	-
Other	5%	100%

Indexation

Organisations’ funding, even when ongoing or recurrent, is not always consistently or adequately indexed to meet the annually increasing costs of service provision. The Consumer Price Index (CPI) increased by 4.5% in the survey period²³. The Labour Price Index over the same period increased by 3.9%²⁴.

However, respondent organisations reported that Commonwealth government funding was indexed, on average, at 1.2%. State government funding was indexed at 2.6%, and local government funding was indexed

²³ Australian Bureau of Statistics (ABS) Consumer Price Index, Australia, (ABS cat. no. 6401.0)

²⁴ Australian Bureau of Statistics (ABS) Labour Price Index, Australia, Jun 2009 (ABS cat. no. 6345.0)

at 1.3%. More than a third of organisations (38%) reported that they received no indexation on their government funding.

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

Sector capacity issues & relationships with government

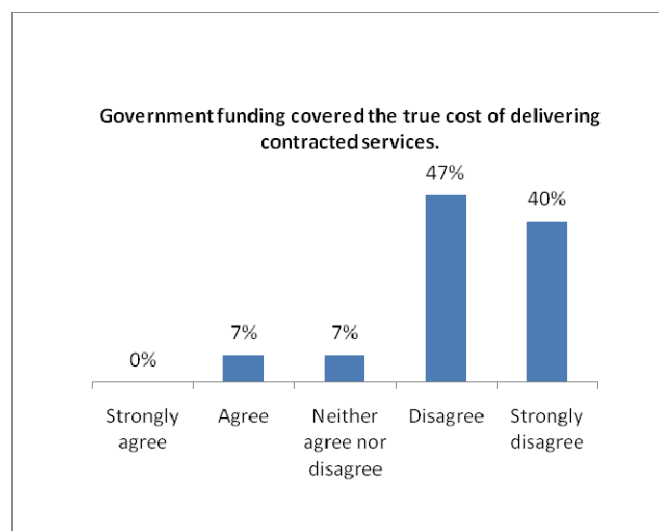
A number of other factors affect the viability of community sector organisations including the adequacy of funding levels and the effect of government contractual requirements, and the tax status of organisations.

These factors impact upon an organisation’s ability to recruit and retain staff, to effectively deliver services and work with other organisations, and balance service delivery demands, advocacy and administrative requirements.

Government funding and contractual requirements

Eighty-seven per cent of respondents disagreed with the statement that *Government funding covers the true cost of delivering contracted services*. Only 7% expressed the view that funding was adequate, and 7% neither agreed nor disagreed.

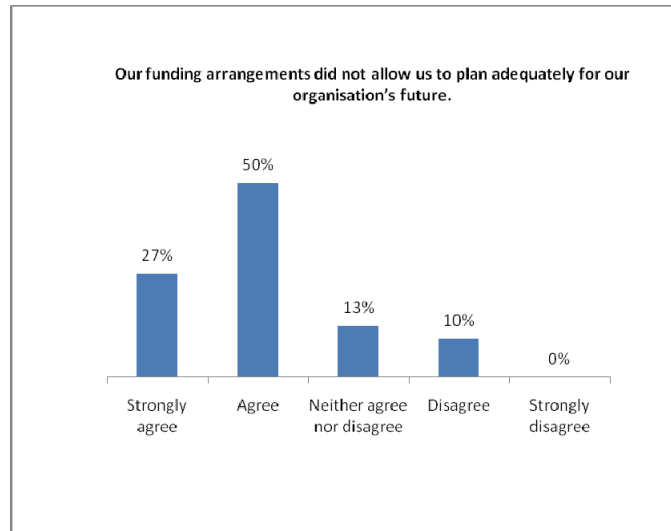
Figure 1.9: Adequacy of government funding: proportion agree/disagree with statement: ‘Government funding covers the true cost of delivering contracted services’



As discussed above, 78% of organisations receive their primary source of funding from the Commonwealth, State, or Local Government. Many indicated that their government funding is not recurrent.

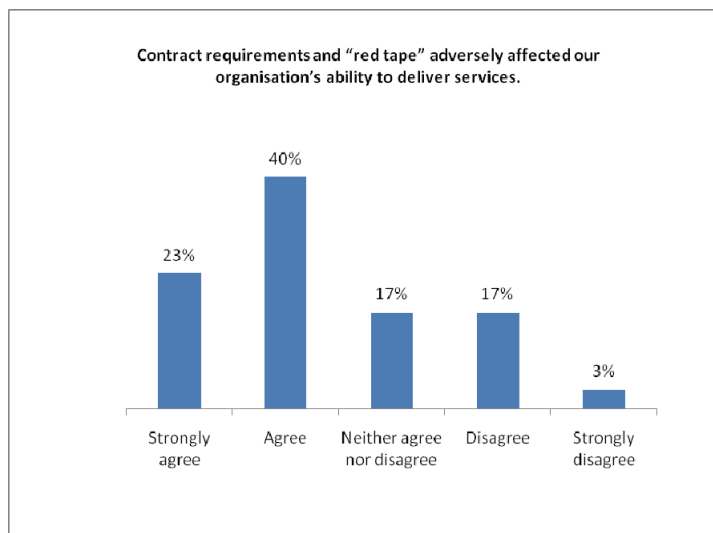
Many organisations are, therefore, subject to funding arrangements that do not guarantee recurrent or ongoing funding. This limits organisational capacity to plan adequately for the future, especially in terms of service provision and staffing. Seventy-seven per cent of respondents agreed that *our funding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

Figure 1.10: our funding agreements did not allow us to plan adequately for our organisation's future



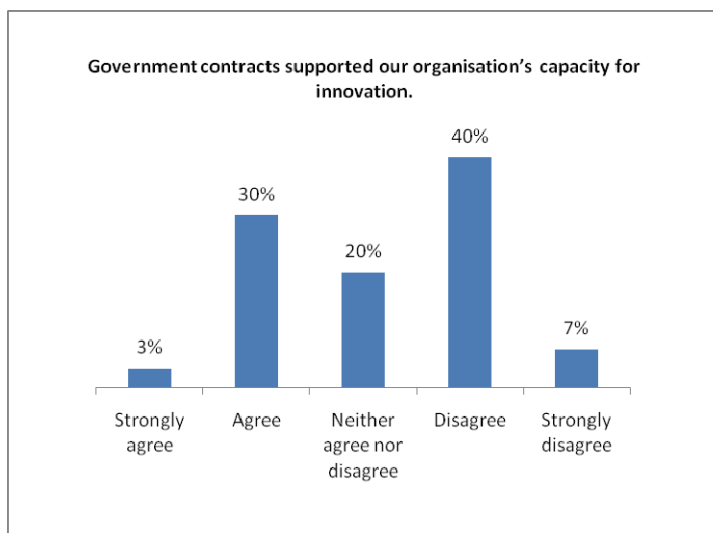
Government funders have an obligation to ensure that services delivered by welfare and community organisations are a high quality and cost effective use of public funds. Contractual requirements made of service providers can, however, risk stipulating a disproportionately onerous level of reporting,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

Figure 1.11: Contract requirements and red tape adversely affected organisation's capacity to deliver services.



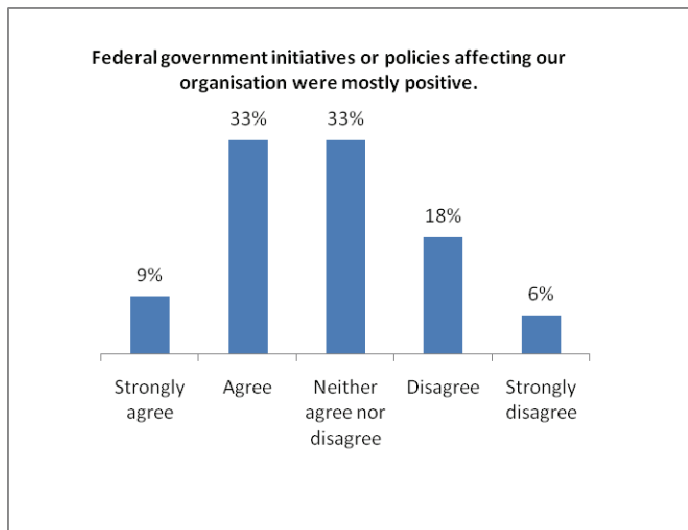
Forty-seven percent of organisations disagreed that *government contracts supported our organisation's capacity for innovation*.

Figure 1.12 government contracts supported our organisation's capacity for innovation.



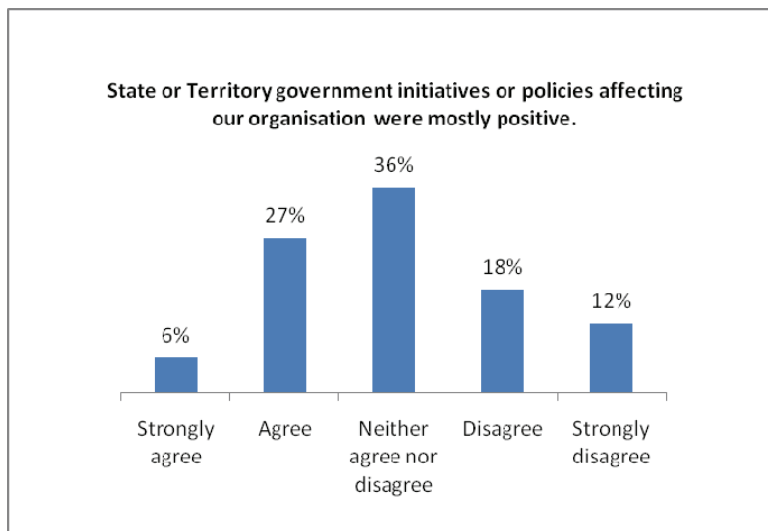
Forty-two percent of all respondents agreed or strongly agreed that *Federal Government initiatives or policies affecting our organisation were mostly positive*.

Figure 1.13 Federal Government initiatives or policies affecting our organisation were mostly positive



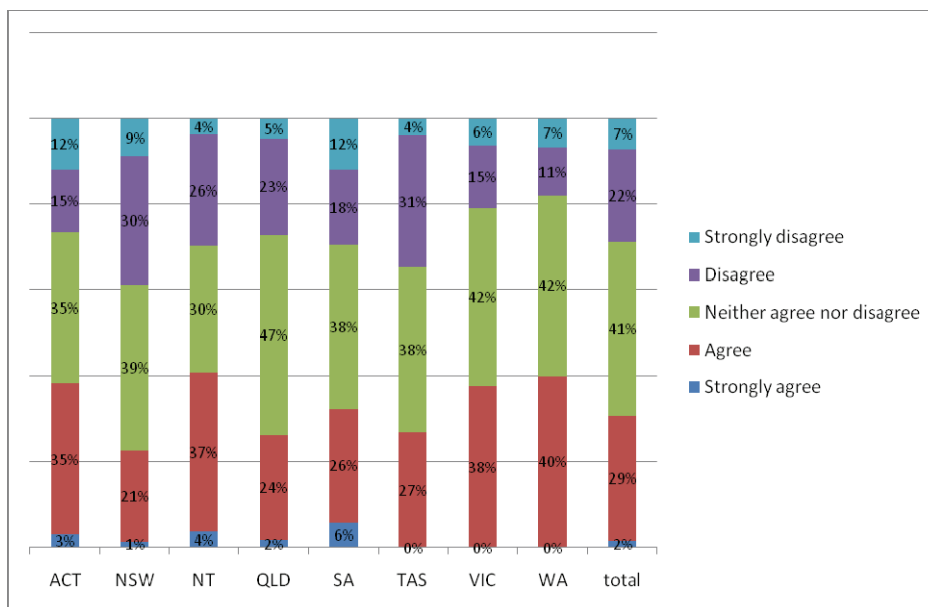
Thirty percent of organisations disagreed or strongly disagreed that *State or Territory government initiatives or policies affecting our organisation were mostly positive.*

Figure 1.14: State or Territory government initiatives or policies affecting our organisation were mostly positive.



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

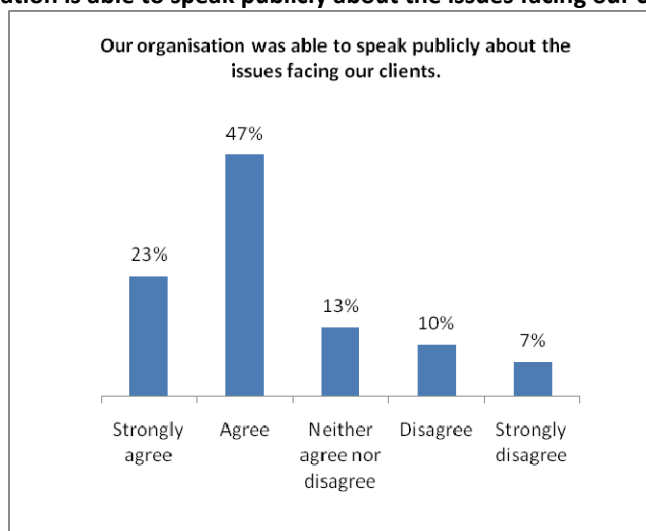
Figure 1.15: State or Territory government initiatives or policies affecting our organisation were mostly positive (by state/territory)



The advocacy role of community organisations

A majority of respondents (70%) indicated that they were able to speak publicly about issues affecting their clients.

Figure 1.16: Our organisation is able to speak publicly about the issues facing our clients



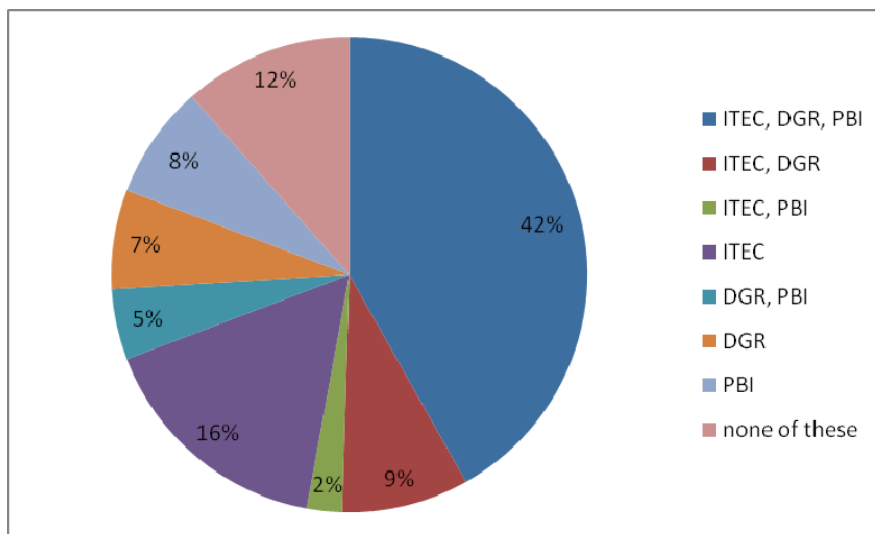
Tax Status

The tax concessions available to community service organisations depend on the purposes and activities of specific organisations and how the Australian Taxation Office and State Government entities interpret the law governing charities and related organisations.

Status as a Public Benevolent Institution (PBI) attracts particularly generous concessions, including exemptions from Fringe Benefits Tax (FBT). Status as a Deductible Gift Recipient (DGR) not only makes gifting to these organisations attractive but is a pre-condition for funding by most philanthropic bodies.

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

Figure 1.17: Tax status (nationally)



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