

Catholic Social Services
Australia

Submission to the

**JOINT SELECT COMMITTEE ON
NORTHERN AUSTRALIA**

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Overview

Catholic Social Services Australia (CSSA) is pleased to present this submission to the Federal Parliament Joint Select Committee on Northern Australia (the Committee).

This submission presents CSSA's interest in Northern Australia, some of the challenges facing our member agencies working with Northern Australian communities and our recommendations for ensuring economic development is supported by the necessary social and community infrastructure.

CSSA's submission addresses the following three items from the Committee's Terms of Reference and provides recommendations to:

- 1. Address impediments to growth;**
- 2. Set conditions for private investment and innovation; and**
- 3. Identify the critical economic and social infrastructure needed to support the long term growth of the region, and ways to support planning and investment in that infrastructure.**

Catholic social teaching holds that the most important measure of the success of a community is the manner in which the community directs resources to assist those most in need. As a Catholic organisation, CSSA applies these principles in its recommendations to the Government. CSSA believes it is important, when economic development is being considered, that support for those people who are most vulnerable remains a priority.

This submission makes recommendations about the importance of investing in social outcomes to ensure that planning for economic development and growth in Northern Australia results in thriving communities where all residents can participate and flourish.

ABOUT CSSA

Catholic Social Services Australia (CSSA) is the Catholic Church's peak national body for social services.

For over 50 years we have assisted member agencies to promote a fairer, more inclusive society that reflects and supports the dignity, equality and participation of all people.

Our 60 member agencies employ around 12,000 people, with 4,000 voluntary contributors to this work.

The network provides community services to over one million Australians each year, with programs valued at around \$600 million.

CSSA partners with a range of government and non-government organisations to pursue our mission and contributes to social policy development based on the experience and expertise of our member network.

CSSA acknowledges that investment in further development and infrastructure in Northern Australia will have economic and social benefits. However, just as physical infrastructure, such as roads, rail and other major projects are important to the economic prosperity of Northern Australia, CSSA believes that investing in social infrastructure and services provides an economic as well as a social return on investment to communities.

CSSA has made four major recommendations that support better social outcomes for people in Northern Australia and these are outlined further in the submission:

- 1. Reinvest in social outcomes in regions where development is occurring similar to the Royalties for Regions Program in Western Australia and Queensland;***
- 2. Develop the local workforce with training and business skills including social enterprise;***
- 3. Invest further in NBN and technology to address gaps in services and high costs and difficulties in providing services; and***
- 4. Invest in the Not-for-profit sector with additional funding to support social outcomes***

Please contact me if you require further information on any aspect of this submission.

Jackie Brady

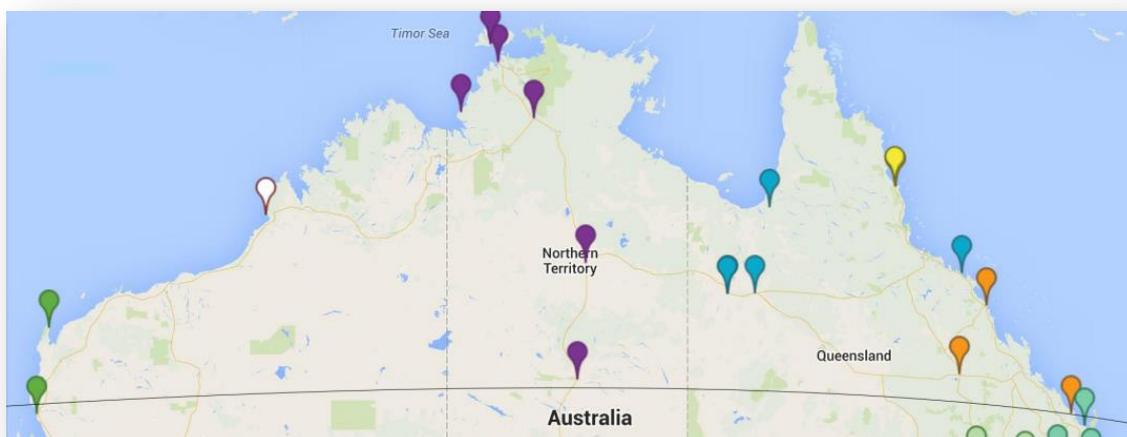
A/Executive Director

CSSA's vision and interests in Northern Australia

The CSSA network is a major provider of social services to communities in Northern Australia and our agencies have worked in these communities for over 50 years. These organisations are committed to improving the lives of people living in these communities, by improving economic and social sustainability. CSSA member organisations are at the forefront of responding to the impacts of social and economic changes in these communities and their service delivery activity reflects this commitment.

CSSA members provide services in all of the major centres in Northern Australia as well as other smaller communities. The locations of our major offices are shown on the map below, noting that we also have a physical presence in many smaller communities (see table in Attachment). From these locations, some CSSA members also travel to remote communities to provide social services including working with vulnerable families, children, Indigenous Australians, migrant communities, elderly Australians, people with disabilities, people with mental illness and people who are homeless.

Location of CSSA Member main offices in Northern Australia



Source: CSSA Member Database

Our services in Northern Australian communities are delivered by CatholicCare NT, Centacare Family Services Geraldton, Centacare Kimberley, Centacare Catholic Diocese of Rockhampton (Centacare Rockhampton), Centacare North Queensland, North West Queensland Indigenous Catholic Social Services (NWQICSS) and Centacare Cairns. A full list of services that CSSA members provide within these communities and more details of the office locations can be found in the table in the Attachment.

The range of services and breadth of coverage has been developed over decades. Our agencies are well integrated into local community contexts and are recognised as enduring and reliable points of social support.

CSSA acknowledges that a “one size fits all” approach will not work for Northern Australia given the diversity governance, social, environmental and economic issues and therefore responses need to be targeted to local and regional needs. Any economic strategies must be targeted to local, geographic areas with a strategic focus on developing community support and ownership around response frameworks in these areas.

CSSA acknowledges that investment in further development and infrastructure in Northern Australia would have economic and social benefits. CSSA’s interest is that this is done in a way that improves the lives of the most disadvantaged in our community and does not cause further disadvantage. For example, our members have cited examples of major developments placing pressure on limited housing stock in smaller communities, and increasing housing prices for people who can least afford to pay.

One of the Council of Australian Governments’ (COAG) reform agenda priority areas¹ is focused on developing a long-term strategy for economic and social participation. CSSA agrees with this priority and believes that the most disadvantaged people will see most benefit from economic and regional development that is linked with social outcomes.

The social profile of communities in Northern Australia

The Committee has defined Northern Australia as being north of the Tropic of Capricorn. CSSA acknowledges that the Committee will have access to a socio-economic profile of Northern Australia. However in this submission CSSA has summarised some key social and demographic characteristics. CSSA also notes that some social data is not aggregated and publicly available to match this geographical boundary. More research is needed to fully appreciate trends such as shifts in housing costs (rents and purchase prices).

Northern Australia is sparsely populated. In 2009, only 4.8 per cent of Australia’s population, or just over a million people, lived in Northern Australia with the majority of these residing in the northern regions of Queensland. However it is growing at a faster rate than the rest of Australia. Between 2001 and 2009, Northern Australia had an average annual population growth rate of 2.1 per cent, compared to a 1.6 per cent average annual growth rate for the nation. Based on 2006 data, another 90 000 people are projected to be living in Northern Australia by 2016.²

The population lives in small but relatively highly concentrated population centres surrounded by large areas of dispersed population. There are only six cities with populations of more than 50 000 people in Northern Australia - Townsville, Cairns, Darwin, Mackay, Gladstone and Rockhampton.

The proportion of Indigenous Australians living in Northern Australia is higher than for the rest of Australia. In 2006, Indigenous Australians comprised around 14.3 per cent of the population in Northern Australia compared to 2.3 per cent for the whole of Australia.³ Our members also report that there is likely to be an undercounting of the Indigenous population in Northern Australia and CSSA is aware that the Australian Bureau of Statistics is trying to improve Census data collection. However, inaccurate population numbers can affect service delivery, for example, in school class sizes. CSSA would therefore urge caution in the use of only Census data for the Indigenous population and suggest that on the ground assessment is also important.

The population of Northern Australia is characterised by a higher proportion of younger people, more male workers and fewer people born overseas when compared with all of Australia. In 2009 the population had a younger profile than the rest of Australia and there were more working males than working females in many areas. In 2006 the population born overseas (12.4 per cent) was nearly half that for all of Australia (22.2 per cent).⁴

Some of the key social and demographic characteristics include:

- **Increasing dependence on Government benefits** - Between 1995–96 and 2000–01, dependence on government benefits increased in Northern Australia, more than it did across Australia as a whole;⁵
- **Lower household wealth** - In the Northern Australia region, household wealth was generally lower than that of households across Australia in 2003–04. In 2006, 75 per cent of the Statistical Local Areas in Australia with a median individual weekly income amounting to less than \$250 per week were within Northern Australia. Many of these areas have relatively high unemployment rates, and a large number of these areas are Indigenous communities;⁶
- **Limited education opportunities** – Many young people have to leave their communities to attend high school. From 2015, high school students in Queensland will be starting a year earlier (from Year 7) so for students who do not continue to high school (especially in Indigenous communities) this will only mean six years of primary school. For the students that do finish 12 years of education there are often few opportunities locally for further education, especially in the smaller centres.

There are few university institutions located within Northern Australia which offer a broad range of course types and levels. Northern Australian student enrolments at TAFE institutions were generally higher per 1000 people in the population than across Australia.⁷

- **Shortage of Community Services and Health Workers** - The proportion of people identifying as health workers per 100 000 residents in the population is lower across Northern Australia than Australia as a whole, especially in parts of northern Western Australia and Queensland.⁸ The shortage of community services and health workforce in regional, rural and remote Australia remains acute especially with increasing demand for aged and disabled carers and child carers.⁹

The attached submission from the Cairns Alliance of Social Services¹⁰ also provides detailed demographics and a social profile for communities in Far North Queensland.

The above indicators highlight the unique challenges facing organisations delivering social services to Northern Australia.

Implications for Social Services

Advice from our member agencies indicates that there is a high demand for social services in Northern Australia including mental health services in isolated communities, support for families under financial pressure, effects of long term unemployment, assistance for families who cope with Fly-in-fly-out (FIFO) work practices and financial pressures from high rents where there are housing shortages.

The Cairns Alliance of Social Services has identified increased drug and alcohol issues due to the development workforce being dislocated from family and friends and working conditions which require long hours, as having an impact on families and relationships. The Alliance has also identified limited housing stock as a concern leading to increased rental prices and potentially displacing residents and tourists. It is also concerned about the impact major developments are having on the wear and tear of existing infrastructure such as roads, playgrounds and the impact on the environment especially for Aboriginal and Torres Strait Islander people.

In the Northern Territory the cost of living is very high, including for food, transport and housing, which compounds the disadvantage of the people on low incomes. The high cost of living expenses is a critical issue across Northern Australia and should be considered in policy responses.

For many people, specialised health care is only available from larger centres and many people can't afford the costs, despite some Government assistance such as through the Patient Assisted Travel Fund in Western Australia. If a person is away for extended periods it can affect family relationships and potentially result in a loss of employment.

Some of these issues will also be prevalent in larger urban areas in Southern Australia but what makes delivering appropriate levels of support challenging in Northern Australia is:

- **Higher costs of service delivery**

As outlined in the previous section, Northern Australia has distinctive issues such as dispersed populations, younger populations, and higher percentages of Indigenous Australians.

CSSA members have also expressed concern that the costs of delivering services to rural and remote areas are considerably more than services delivered in metropolitan areas. In some areas internet technology is supplementing face to face contact with clients. While this in itself is not negative, as the alternative to this approach is lack of service, the cost of appropriate infrastructure needs to be considered in addition to the cost of the worker's time.

In an internal report undertaken in 2011 for Centacare Rockhampton, the distance between the communities was considered to be contributing to higher costs relative to metropolitan regions. The costs of transport, such as fuel and vehicle maintenance, and the time involved in travel are exacerbated by the geographical size of the regions serviced by agencies and by the distribution of their populations.

One CSSA member agency, NWQICSS, suggested that it would be worthwhile to encourage local based agencies to communicate and collaborate so as to ensure that limited resources at the local level are targeted in an appropriate manner.

The additional costs of delivering services to regional and rural areas are not always accounted for in program funding. For example a Government funded Neighbourhood Centre Program in Queensland allocated the same amount of funding regardless of the location of the service.

- **Difficulties in recruiting and retaining staff in these areas**

Undertaking and expanding services requires dedicated and trained professionals and skilled staff to work with the local community. Attracting and retaining staff is an ongoing issue for our member organisations.

The Centacare Rockhampton study also found that an organisation's ability to attract and retain employees is influenced by factors including the availability of peer support, affordable housing of a suitable standard and support services for families, such as schools. A lack of post primary local education choices creates a decision point for families, and can require either enrolling children in facilities away from home; or result in the loss of the family to a larger centre. This is reflected in other industries trying to attract and retain workers in regional settings.¹¹

NWQICSS is also concerned about the turnover and training of teachers in smaller communities. Many young teachers arrive with little understanding of the local issues. In some classrooms there is a high percentage of children in foster care so experienced teachers would be preferable in these situations. Graduate teachers generally undertake a two year term leading to a substantial churn in the school staff. There is also a tension between training for quality educators who are bought in from elsewhere as opposed to skilling up local educators such as teacher's aides who live in the community.

In Geraldton, rents, location allowance, utility costs (such as air-conditioning) are high and building costs are around 17 per cent above costs in Perth. In this centre, services are often funded for part time delivery and it's almost impossible to recruit someone for a part time position unless it is shared with another NGO or there are two part time positions.

The preceding sections provide some context to the recommendations CSSA is making to the Committee in the next section.

Response to the Terms of Reference

CSSA is responding to three of the Committee's Terms of Reference which are outlined further below.

1. Provide recommendations to address impediments to growth

Recommendation:

- ***Reinvest in social outcomes in regions where development is occurring similar to the Royalties for Regions Program in Western Australia and Queensland.***

A community that has good social capital such as being supported by social infrastructure and services will be in a stronger position to attract and retain skilled workers. Currently the lack of social services is a limitation to growth in some parts of Northern Australia. The Minerals Council of Australia in its submission to the House of Representatives Inquiry into FIFO noted that "Research suggests that communities that do not have sufficient infrastructure, social amenity and economic diversity will not attract new residents and this will in turn constrain the industry's recruitment capacity."¹²

Furthermore wellbeing indicators for an individual are not just measured in terms of material conditions such as jobs, wealth and housing but also in terms of quality of life factors such as health status, work-life balance, social connections, education, skills and personal security.¹³

This underlines the importance of the health and community services industry in supporting economic growth in regional areas. Attracting and retaining community and health services workforce in Northern Australia is be critical as whilst this occupation currently makes up around 12 per cent of the Australian workforce it will need to grow by 35 per cent in the next decade to meet the needs of the community.¹⁴

Economic investment can have many benefits to local communities such as increased economic activity, new job opportunities and development of key infrastructure including social services. While housing and business development would ideally be located in existing communities we acknowledge that temporary settlements such as FIFO operations are necessary in areas where there is no existing community. In these cases it is essential that planning incorporates social infrastructure needs. CSSA would also support investment that had links to the local economy such as construction of permanent housing, use of local labour and using local suppliers.

CSSA would support a policy that reinvests a percentage of the development earnings back into the local community. This is a similar model to “Royalties for Regions” in Western Australia and in Queensland though we believe there are some current limitations around these programs. For example, CSSA would like to see it implemented in a transparent manner such as funding items over and above already committed government capital works. Current practice suggests that this is not always implemented in this way nor is there a clear nexus between the development project and where the money is spent. We also have reports that funding is for short projects rather than a longer term approach.

Some of the components of a Royalties for Region scheme could include:

- Establishing baseline data on existing social infrastructure and services for each region so the current supply gaps and existing and future demand is understood. This database could be centralised say through a relevant State/Territory Department so when new data or surveys become available through Social Impact Assessment studies the central data base is updated. This function may also be undertaken by Regional Development Authorities. The Cairns Alliance of Social Services also suggests that action research commence at the start of a project so that data can be collected in order to ascertain a true costing of social impacts;
- All major development projects should be required to develop Social Impact Assessments to identify demand and responsibility (who pays);
- The financial contribution should be appropriate to the social impact of the project and the guidelines developed on a regional or local case so developers and the community understand the expectations; and
- The social services sector is well placed to support the delivery of positive social outcomes for communities in northern Australia, given its current and historical record in working in these communities. Investing in the Not-for-profit (NFP) sector as part of an investment strategy in northern Australia would be an appropriate way to ensure high social return on investment.

2. Provide recommendations around conditions for private investment and innovation

Recommendation:

- ***Develop the local workforce with training and business skills including social enterprise.***

There are few employment opportunities in some parts of Northern Australia especially in the rural and remote communities. With new development projects, there are opportunities to utilise local labour in the immediate development project and provide support to allied businesses established to service the growing community or major project directly. Local communities should benefit from the wealth generated by major projects, and training and using local employment provides this opportunity.

As recommended in the attached Cairns Alliance of Social Services submission a regional economic participation program should be developed that is capable of creating alternate livelihood pathways. This would enable vulnerable community members and others that are under-represented in the workforce and who are unable to engage in current employment pathways to move toward financial independence.

Another suggestion is to train the local community to promote stronger relationships with Asian investors for example in language and cultural understanding. This approach could assist better negotiations with off shore companies and potentially better social outcomes.

CSSA members have noted that there is a lack of support for people wanting to start their own enterprise in some communities. CSSA supports building capacity in communities to enable an environment in which small business and local enterprise can flourish, whether this be social enterprise or other enterprises. Social enterprise developments could offer an effective, community initiated solution to emerging (or existing) social needs but risk failure if expertise and on the ground support are lacking. CSSA is of the view that “start-up” funds would be assist the establishment of new social enterprises.

Owning or running a business requires specific business management skills. While there is a steady increase in Indigenous people entering into the small business market anecdotal evidence suggests that long term success is dependent on a number of factors such as building on existing strengths for example - connection to country and traditional skills, cultural connections, land and water conservation and reinforcing skills through mentoring be elders. An increase in connections and supports to enable communities to find and develop a market for this asset is likely to enable economic development that can be driven by these communities.

3. Identify the critical economic and social infrastructure needed to support the long term growth of the region, and ways to support planning and investment in that infrastructure.

Recommendation:

- ***Invest further in NBN and technology to address gaps in services and high costs and difficulties in providing services.***

CSSA's member experience demonstrates that providing social services to rural and remote communities is expensive, involves long travel time, requires a well maintained vehicle fleet in an environment where staff resources are limited. Some communities do not have internet connection or have slow speed access so alternative (and more cost effective) methods of service delivery are not always available. We are aware that the cost of providing fibre internet connections can be excessive for dispersed and low density communities.¹⁵

If ICT infrastructure (such as the NBN) were more readily available to Northern Australian communities, face to face services could be supplemented for example, by video link. Video conferencing is only suitable in certain circumstances and won't be suited to the needs of all people. This service is already being delivered by some of our members but is hampered by slow speed internet and also clients' acceptance of the service. CSSA believes the time is right to investigate opportunities to deliver services more broadly using ICT, and invest in trial projects that could leverage off services already in place. The use of "internet hubs" such as at Local Government offices, medical centres or schools could also be co-ordinated more efficiently.

Recommendation:

- ***Invest in the NFP sector with additional funding to support social outcomes.***

The NFP sector is a large provider of community services and as demonstrated in Attachment 1, CSSA member organisations deliver a range of important services to communities in Northern Australia. Whilst CSSA does not have quantitative data for the NFP sector in Northern Australia, during the 2008-09 financial year \$25.2b was spent on direct community services activities in Australia with \$13.8b (around 20 per cent) being expended by 'not for profit' organisations.¹⁶

There is much evidence to quantify and qualify the social returns on investment in families and communities. Investing in early intervention for families results in a more socially coherent society and has significant economic benefits.¹⁷ In 2012, 76 per cent of CSSA clients receiving Family Support Services reported improved family, community and economic engagement.¹⁸ There is also evidence that early childhood interventions can reduce the likelihood of problems in later life such as joblessness and criminal offending.¹⁹

Just as investment in physical infrastructure such as ports, heavy rail and major roads can improve the economic efficiency of a region, so too can investment in social infrastructure and services improve the social and economic well-being of a community.

Our members are of the view that services can be expanded and more services could be offered if additional resources were available. Identifying the needs of a region and funding shortfall now and into the future can be achieved through co-operative mechanisms already in place, for example with the Local Government or Regional Development Australia, or by establishing Regional Committees specifically to undertake the work.

Organisation	Office Locations	Range of Services	Staffing numbers 2011/12	Outreach services to numbers of people (2011/12) – where available
North West Queensland Indigenous Catholic Social Services Website	Mt Isa	<p><u>Child & Family</u> Ngukuthati Children and Family Centre Mount Isa with outreach to Dajarra, Boulia and Camooweal Brilla Brilla Childcare Centre @ Yallambee Yallambee Community Support Centre Boulia Community Support Centre Aboriginal and Islander Catholic Council Cert iii in childcare services programme – training ATSI persons for childcare centres.</p> <p><u>Justice</u> Mount Isa Justice Group Indigenous Sentencing List co-ordination Marapai Ngartathati Murri Women's Group Yurru Ngartathati Murri Men's Group Offender Reintegration Support Service – ORSS Youth Yarning Circles Community Service Co-ordination Doomadgee Men's Group Mornington Island Men's Group Cell Visitor Programme Watch House Meals Contract.</p>	55 employees	

¹ http://www.coag.gov.au/reform_agenda

² Information taken from the BITRE *Northern Australia Statistical Compendium 2009* – Chapter 2 Population and the 2011 Update http://www.bitre.gov.au/publications/2011/stats_014.aspx and last viewed on 23rd January 2014

³ *ibid*

⁴ *ibid*

⁵ *ibid*

⁶ *ibid*

⁷ *ibid*

⁸ *ibid*

⁹ Community Services and Health Industry Skills Council – Environmental Scan 2013 <http://www.cshisc.com.au/learn/cshisc-environmental-scan/> last viewed on 17th February 2014

¹⁰ Contribution from the Cairns Alliance of Social Services of which Centacare Cairns is a member – paper attached to this submission

¹¹ Becker, K., Hyland, P., Soosay, C. (2013). *Labour Attraction and Retention in Rural and Remote Queensland Communities*. Australasian Journal of Regional Studies, 19(3) pp 342-368 and Miles, R. L., Marshall, C., Rolfe, J. and Noonan, S. (2006). *The Attraction and Retention of Professionals to Regional Areas*. Australasian Journal of Regional Studies, 12(2), pp. 129-152.

¹² House of Representatives Standing Committee on Regional Affairs (2013) *Inquiry into the use of 'fly-in, fly-out' (FIFO) workforce practices in regional Australia* http://www.aph.gov.au/parliamentary_business/committees/house_of_representatives_committees?url=ra/fifodido/report.htm and last viewed on 28th January 2014

¹³ OECD Well Being Framework - http://www.keepeek.com/Digital-Asset-Management/oced/economics/how-s-life-2013/the-oced-better-life-initiative-concepts-and-indicators_how_life-2013-5-en and last viewed 13th February 2014

¹⁴ Information from the Community Services and Health Industry Council <http://www.cshisc.com.au/>

¹⁵ <http://www.abc.net.au/technology/articles/2013/01/31/3680486.htm>

¹⁶ ABS Community Services Expenditure <http://www.abs.gov.au/ausstats/abs@.nsf/Products/E7D70BC100648E8CCA25774B0015659D?opendocument> and last viewed on 28th January 2014

¹⁷ Value for Everyone: Understanding the Social and Economic Benefits of Family Support Services FRSA 2013 –(see www.frsa.org.au/publications)

¹⁸ Compilation of CSSA member agency FSP data 2011-12. Unpublished 2013

¹⁹ Heckman, James & Masterov, Dimitriy (2007) “*The Productivity Argument for Investing in Young Children*” Lecture given as the T.W. Schultz Award Lecture at the Allied Social Sciences Association Annual Meeting Chicago, January 5-7, 2007 http://jenni.uchicago.edu/human-inequality/papers/Heckman_final_all_wp_2007-03-22c_jsb.pdf and last viewed on 10th December 2013