

NOT-FOR-PROFIT SECTOR — GOVERNMENT SUPPORT

Amendment to Motion

Resumed from 13 August on the following motion moved by Hon Sue Ellery (Leader of the Opposition) —

That this house notes the changing demands for assistance on the Western Australian not-for-profit sector and calls on the Barnett government to ensure the sector has appropriate resources and capacity to meet demand.

to which the following amendment was moved by Hon Robyn McSweeney (Minister for Child Protection) —

To delete all words after “notes the” and insert —

impact that the global financial crisis is having upon the community, and notes the government’s continued work towards providing appropriate resources to the not-for-profit sector.

HON WENDY DUNCAN (Mining and Pastoral — Parliamentary Secretary) [4.07 pm]: When I concluded my remarks when the house adjourned debate on this amendment last time, I was talking about the funds that have come out of the regional grants scheme under the royalties for regions program and have been assisting not-for-profit groups in regional Western Australia. In support of the amendment, I noted this government’s continued work towards providing appropriate resources to the not-for-profit sector. At that time, I was talking about the Eastern Goldfields Halfway House Inc—also known as Prospect Lodge—to which we have provided, through the royalties for regions scheme, \$147 000. That funding is particularly for renovation and refurbishment of that service in the goldfields, but is also to provide training for clients who typically are suffering from homelessness and drug and alcohol problems. This funding will assist these people to become job ready, and it will assist both them and their families in their social development. Also, the funding in this area is to enable Prospect Lodge to cater for people with disabilities, and also to provide some short-term accommodation. In addition, through the Goldfields-Esperance Development Commission, \$100 000 has been provided to the Wannan Healthy Store. The new store will provide a kitchen and training room to educate the community on aspects of food handling processes and a healthy eating lifestyle—something that is critically important to the future of our Indigenous people. Like all of us, they need healthy diets and to understand about food preparation. It demonstrates a strong partnership between the government and Indigenous communities.

Of the 29 projects funded in the great southern, 20 of them were in the not-for-profit sector. The iconic project there is probably the Munda Biddi Trail Foundation, which is a vibrant not-for-profit community organisation that aims to develop, market and maintain the Munda Biddi Trail as a sustainable world-class off-road cycling facility, and something that will provide great enjoyment and a wonderful experience for this generation and well into the future. The great southern regional grants scheme will provide \$1.5 million towards this project over three years to construct the trail from Nannup to Albany. Once it is completed, the trail will stretch from Mundaring to Albany, making it a world-class off-road cycling experience.

Also in the great southern we are supporting the School Volunteer program, which assists schools with volunteering. It is a not-for-profit organisation and will receive \$50 000 towards assisting 40 volunteers in six schools across the great southern in providing mentoring and utilising the skills and knowledge of local community volunteers to guide and encourage children and young people to continue at school and succeed.

The Woodanilling Sport and Recreation Association is a not-for-profit community organisation that has also benefited with an amount of \$145 000 to upgrade the sporting facilities and provide an opportunity for the people in that region to enjoy the social amenity that sport always brings. This will particularly be used to upgrade the tennis courts and the cricket and recreation surfaces and to install shade, safe fencing and health and safety approved surfaces.

In the Kimberley region, more than \$3.4 million has gone into the not-for-profit sector for 34 projects, of which 19 were for Indigenous organisations. The amount of \$300 000 has been provided to the Karrayili Adult Education Centre as a contribution towards the construction costs associated with the expansion of the current facility, particularly to focus on driver education and training for the people in the Fitzroy Valley. I think we all acknowledge that obtaining a driver’s licence is one of the critical stop points for people who are trying to access employment and education. It is something we need to focus on, particularly for our Indigenous communities. We are providing also \$150 000 to the Warlayirti Artists Aboriginal Corporation to increase their capacity and effectiveness. We are upgrading the facilities and assisting with the ongoing delivery of internationally recognised Indigenous art and cultural experiences. The amount of \$130 000 is being provided to the East Kimberley Volunteer Marine Search and Rescue Association for the construction of headquarters to provide

secure premises for the association's equipment and vessels and to provide training and emergency responses from that centre in the East Kimberley.

Out of 39 projects funded in the mid-west, 18 were for the not-for-profit sector, including funding of \$103 000 for the Geraldton-Greenough State Emergency Services to ensure the premises are fit for purpose and for training, administration, operations and storage. The Warradarge Volunteer Bush Fire Brigade has received regional grants scheme funding of \$34 000 to assist in the construction of a multipurpose, fully accessible community building. Aidan's Place, an autism intervention development and networking group, has received \$45 000, which will help with initiatives to support children with developmental disabilities. It will be used for supporting and evaluating intervention programs. Obviously, this sort of program in the regions is critical in keeping families in the regions. Families with children with disabilities are often forced to leave regional Western Australia to go to the metropolitan area to receive assistance for their child. That is a very important contribution from the royalties for regions funds.

In the Peel region, 58 per cent of the round 1 funds for the regional grants scheme went to the not-for-profit sector, with a further \$1.1 million recommended in rounds 2 and 3. Fairbridge WA was a standout in this area, receiving \$1.82 million over three years to construct facilities and create jobs for Indigenous trainees and staff. The completion of the project is expected to make another 22.5 positions available. Through this fund we have also assisted the Pinjarra Harness Racing Club with \$745 000 to construct a new pavilion, which will strengthen the region's ability to capitalise on the horseracing and equine industry. At the same time Midway Community Care has received \$250 000 to allow the construction of a community access centre. This is also to assist in the provision of skills development and training for people with disabilities and to provide relief for families who support them. It will also provide employment for eight.

In the Pilbara, 26 not-for-profit groups were successful in their submissions, including the Wickham Community Association, which received \$55 000 towards a community bus. I met with the Wickham Community Association when I was there recently. That association is working very hard to make the community of Wickham a better place to live. This bus will be very worthwhile in enabling the people of Wickham and Point Samson to attend events and so on, particularly the Roebourne races. I believe it was a fabulous event this year and is certainly on my to-do list for next year.

The Lions Club of Newman received \$28 000 for its animal nursery. I was there recently. It is a great little project. The Lions Park contains animals of various types, both domestic and Australian native. I was there on a Sunday and saw the number of people who came down to see the animals and I saw the children feeding and playing with the animals. It is certainly a great little project in Newman. The Senses Foundation is an organisation that works throughout Western Australia. In the Pilbara region, \$37 000 was put towards specialist communication, education, training and resources for Pilbara-based individuals with deafness, blindness or vision impairment as well as support for their families and carers. The grant will also provide education and training to health care workers in that area so that they can better serve the locals of the Pilbara, particularly the Indigenous communities.

In the south west region, 66 projects were funded in the first round of the regional grants scheme. Of those, 49 were for the not-for-profit sector. That included the wellness program for women, run by the South West Women's Health and Information Centre, which received \$75 000 in funding to reduce the risk of cancer in women through early screening programs. The program is an important local initiative supported by professional coordinators and volunteer support. Leveraged funds were provided of \$4 500 in cash and \$54 000 in kind.

The Lions Club of Leeuwin runs the Port Augusta Outdoor Adventure Centre, which received funding of \$60 000. I now refer to the Bunbury Rotary Club District Men's Shed. Men's Sheds throughout Western Australia are a great initiative. They give men the opportunity, particularly those in retirement who are at risk of becoming socially isolated, the opportunity to get together to chat and to work on projects, and at the same time build their connectedness in society. The men are in one place where it is possible to keep an eye on their health and make sure that they are looking after themselves and receiving the necessary screening. The funding for the men's shed associated with the Bunbury Rotary Club will be very well used. It has received leveraged funds. The grant from the regional grant scheme is \$30 000 but the leveraged funds going into this project are \$82 500 in cash and \$20 000 in kind. The regional grants scheme is working very hard in regional Western Australia, not only supporting not-for-profit groups but also bringing other funds to those groups as well.

In the wheatbelt, 15 not-for-profit organisations out of 24 were successful in receiving funding out of the royalties for regions program. I refer in particular to Volunteering WA. Volunteers do a fantastic job throughout Western Australia, but particularly in regional areas. That organisation received \$122 000 to strengthen community volunteer groups and to provide clear information on potential volunteers. The recruitment of volunteers is something that is becoming increasingly difficult, particularly in the wheatbelt where the

population is declining, and, I guess, people are becoming very committed to their work. This funding will assist Volunteering WA to increase the pool of volunteers in that part of the world.

The Avon Community Development Foundation has received \$198 000 to facilitate a community and industry skills development training academy at the Avon Industrial Park. That will be through the C.Y. O'Connor TAFE. It will help build our skilled labour force in that part of the world.

The Community Arts Network is an essential body in the regional part of Western Australia. It received \$330 000 in the wheatbelt for its southern wheatbelt cultural development program. That program uses creativity and the arts to engage the at-risk population, building community cohesion and providing leadership and governance structures to arts organisations in the regions. Today, I met Jess Machin from Country Arts. We talked about how important the arts and culture are to a person's wellbeing. It adds an extra dimension to life in the regions. All too often the arts come a pretty sad third after infrastructure and sport, and eventually we think that perhaps we should fund the arts as well. For those in the regions who are not sport-minded, or who would like to enjoy that added dimension of arts and cultural activity, particularly our at-risk youth, it is a very good way of engaging them and making them feel part of the community. If they can be part of creating something, it certainly does assist self-esteem and enables them to be a productive part of the community.

Doorways Incorporated received \$200 000 in funding. The Merredin Trade Training Centre is located at the Merredin Senior High School. It is an excellent initiative. The school and TAFE will work together through this centre to develop and strengthen the workforce capacity for young people in the regions.

Hon Adele Farina asked a question of me, as I was speaking last week, about what funding has gone towards women's refuges. I have asked this question of the development commissions. In this most recent round, we have been able to fund \$18 000 to build a child support facility in the grounds of the Marnja Jarndu Women's Refuge in Broome.

In the Pilbara region, which is Hon Adele Farina's home territory, we have funded \$90 000 towards the Pat Thomas Memorial Community House to place a facility on site to allow for the co-location of its outreach services.

I remind all members present that the \$63 million that has been allocated to the regional grants scheme in this coming financial year will be available in a new round of grants. I strongly encourage not-for-profit organisations, in particular women's refuge groups, to make application. In the out years 2010-11, 2011-12 and 2012-13 the budget allocates \$90 million under the regional grants scheme. This gives the opportunity for not-for-profit organisations to reach the goals of their very worthwhile projects that have, for too long, been gathering dust in the bottom drawers of their cramped little offices because there actually has not been the opportunity to progress these projects. These projects make regional Western Australia a better place to live and work. It also makes it more likely that people will stay in the regions even if they are suffering disability or disadvantage.

I reiterate that I support the amendment of Hon Robyn McSweeney; that is, we note the government's continued work towards providing appropriate resources for the not-for-profit sector. I commend this government, and in particular the royalties for regions program, for making a great difference to the not-for-profit sector.

HON HELEN MORTON (East Metropolitan — Parliamentary Secretary) [4.28 pm]: I also rise to support the amendment to the motion moved by Hon Robyn McSweeney. I will make some comments in my current role as the Parliamentary Secretary representing the Treasurer.

I support the amendment, significantly because the original motion moved by Hon Sue Ellery is just not practical. It is clear from comments made by the Minister for Child Protection and from the Parliamentary Secretary representing the Minister for Regional Development, and from my own knowledge of health, mental health, aged care, women's services, corrective services et cetera, and from my briefings from Treasury and the Department of Housing, that this government is moving forward with a very clear view on the ongoing importance of the not-for-profit sector. We also have a very clear view that the non-government sector grants will not be impacted by the three per cent efficiency dividend. I will speak about that in more detail later. Also, we have indexed the not-for-profit grants program to reflect the consumer price index. Really clear evidence is also available of significant growth in some areas of the non-government sector, as outlined by Hon Wendy Duncan, and I will add to her examples. Hon Robyn McSweeney has fully outlined the \$24.2 million available to the hardship utilities grant scheme, which provides an additional safety net for people who are experiencing difficulties.

I will outline to members my experience of the not-for-profit sector. In previous occupations I have had contracts with it and have undertaken hundreds of negotiations on mostly one to three-year contracts. They are always very time limited and very clear-cut about contractual obligations. They have performance targets; if they perform work over and above the requirements of the contract, it is very clear that the onus is on them to find the

means and resources to carry out that work. They have very clear performance targets, which must be reached if they are to continue to receive taxpayer funds to undertake the work they do. Most of these contracts are won through a bidding process. Some of the bidders are very sophisticated and experienced, others have great difficulty, and some are quite inept. The quality of the bids can vary greatly. They are always anxious about the continuation of funds, especially after a change of government, as well as the contract, be it a one-year, two-year or three-year contract. The nature of contractual work impacts very much on the way they employ their staff.

In previous roles I also collaborated with not-for-profit organisations at the coalface. An example I will give involved the government collaborating with a not-for-profit organisation to facilitate discharge planning from hospitals and people's transition from being in hospital as patients to being at home. To make that transition as seamless and efficient as possible, we provided offices within the organisation.

In the 12 months prior to coming to government, I also managed a small not-for-profit organisation. I was asked to assist a not-for-profit organisation that was in some difficulty by making some recommendations about how it might be improved. I would say that in those 12 months I found that it was a far more difficult and complex role than managing a major organisation that had 1 000 staff. I found it more difficult to try to be a chief executive officer of a small non-government organisation that lacked critical mass. It had about 30 staff, but most of them were working part time or casually, and it had probably less than \$5 million worth of overall revenue. As the CEO I was the hands-on strategic planner, the financial controller and the human resource management organiser. I was involved in hiring and firing and all of the industrial relations. I was involved in occupational health and safety and staff development work. Bigger organisations have dedicated departments to do this work. I had to negotiate with the state and commonwealth governments and also with a board of management that was not overly aware of its role. I had to manage the capital works and the maintenance of vehicles and facilities. I had to be a submission writer, to do the marketing and write newsletters. The role of the CEO in some of these small, almost non-viable, not-for-profit organisations is really difficult and encompasses trying to be across all of those duties.

Despite all of that, this small organisation achieved the most amazingly complex work for the service group that it was supplying services to, an example being the provision of its home and community care service. One of its clients was a lady who had had a stroke and was living in her home on her own and who could not move at all unaided. She could not get in or out of a wheelchair and could not feed herself; as she was unable to swallow properly, she required thickened fluids as her food source. This small organisation sent its staff to provide those services to that lady three or four times a day, including putting her to bed and going back the next morning to get her up and shower and toilet her and do whatever else needed to be done. Despite the fact that this was a very small organisation, the services it was providing were actually quite complex.

The difficulty lay in the fact that the service lacked critical mass. It lacked professional competence at the board level, had difficulty in recruiting and retaining staff, was resource poor so had to cut corners, and had a high level of worker stress. More recently, after a series of reviews by its funders over a couple of years, this small organisation has finally been rescued, in that it has been taken over by a larger, similar local service, in line with my recommendation after working there for 12 months.

I have also had services provided by the not-for-profit sector in my home in the last 12 months. Most members know that I live in Kalamunda, and the organisation contracted by the Department of Veterans' Affairs to supply daily services seven days a week is based in Joondalup. The nurse who came to our home to assist my father three times a week travelled from Joondalup to provide that service. The people who come in and provide daily care live locally and the fantastic work that they do should not be underestimated.

Hon Sue Ellery: Will you take an interjection? That experience of someone driving from Joondalup to Kalamunda is quite normal. My mum gets services at home three times a day and some of those services are for no more than 20 minutes; someone drives from Hillarys to Swanbourne to provide them.

Hon HELEN MORTON: I agree, which leads to my next comment, which is that somehow or other these efficiencies can be improved. The people who work in the not-for-profit sector really are the salt of the earth. They are honest, hardworking, very, very people orientated, and are always willing to go above and beyond the call of duty. They frequently work extra hours and provide extra services and care, and seem somehow extra-concerned about the people who they work with. They are mostly mature age women who want to work casually; they are not ruled by bureaucracy; and they are very altruistic. They receive about a 20 per cent to 30 per cent lower wage than those employed by the state or federal government, and they can be covered by a range of jurisdictions, either state or federal, depending on the type of trading organisation they work for. A lady with whom I am in daily contact earns \$16 an hour. She is 45 years old and provides services to Alzheimer's disease sufferers; she cares for people with dementia in an activities centre. On weekends her wage increases to \$18 an hour. Two weekends ago at her organisation two care staff plus a cook were working to look after two clients. These occurrences are not infrequent.

Extract from Hansard

[COUNCIL - Wednesday, 19 August 2009]

p6107h-6114a

Hon Wendy Duncan; Hon Helen Morton; Hon Lynn MacLaren

As Hon Wendy Duncan has said, not-for-profit organisations are heavily reliant on volunteers. The volunteer visitor program is a federally funded program with which I was involved. The volunteers for that program visit people in nursing homes, but volunteers are also heavily involved in transport services et cetera. Day care centres also have a high number of volunteers.

The government has great respect for the not-for-profit sector. It works across all portfolio areas: corrective services, women's health, and safety. We have just heard about what seemed like hundreds of them from Hon Wendy Duncan, and I will not repeat them all. I do, however, want to mention one organisation involved with housing. Most people have heard about the amazing new commitment that has been created for the not-for-profit community housing sector through the commonwealth stimulus package. This will provide in the vicinity of 1 500 new dwellings, collectively worth around \$450 million. That work will be put out for tender to the not-for-profit sector. Some organisations are quite sophisticated and able to undertake that kind of work, but as I mentioned earlier, some are quite challenged in terms of viability. I have been involved with a range of these organisations. Regardless of whether the organisation is Anglicare or a smaller organisation such as I was referring to earlier, it still has to meet the same acquittal requirement for annual funding, and maintain standards monitoring to meet contractual obligations.

Not-for-profit organisations still have to meet the same standard for human resource management, and they still have to meet all those standards. If an organisation is not big enough to dedicate people to them, those things often fall by the wayside. Most of these organisations access a full array of funding. Very few of these organisations get their funding from one source. They merge local, state and federal government grants, Lotterywest and private sponsorship. I was at the St Vincent de Paul Society the other day when the chief executive officer of Rio Tinto, Sam Walsh, was there talking about Rio Tinto's sponsorship of that organisation and how, despite the global financial crisis, Rio Tinto would not let its sponsorship go by the way because it understood the importance of maintaining it through difficult times. These organisations get donations through Telethon or they have their own significant fundraising activities, bequests and so on.

The not-for-profit sector is a great mechanism for pooling resources, which is something we find extremely difficult at a state government agency level or at a single federal government agency level. They are a mechanism for pooling all these resources to enable the service to make the best out of all the bits and bobs that they can attract from all those different funding resources. They can pool resources across government agencies, which is another thing we have great difficulty with. A single not-for-profit organisation may access funds from the Department of Housing, the Department of Health, the Department of Corrective Services and any of the kinds of agencies that we have been hearing about today. It is almost impossible for the state government to ensure that the sector has appropriate resources and capacity to meet demand under those arrangements, but let us see what the state government is doing to support the not-for-profit sector. First, before we get too far down that path, it is worthwhile having a look again at the economic environment. I do not need to go on about the world economy entering its deepest downturn in world trade, commodity prices, confidence and investment. It is having a huge impact on Western Australia's budget. This government is taking a very responsible fiscal-tightening approach. Our share of the goods and services tax is reducing. We are now getting back only 55 cents in every dollar that leaves Western Australia. We are propping up other less successful states, such as New South Wales, the basket case of the nation. These are Labor states that will not take responsible action. The Treasurer placed a ceiling on public sector full-time equivalents, but within 12 months it has been exceeded by 1 000. The trouble is that our agencies are still working in some of Labor's boom-time culture, and that needs to be reined in. We need to change the thinking that the only way to deal with demand is to seek more money.

What did the previous government do for this sector during the boom time? It actually did something quite good: it brought in the indexation policy for the non-government human sector. We are continuing and enhancing that policy. Just in case members have forgotten what it was, I will refresh their memory. The indexation policy stated in 2004-05 —

The indexation rate recognises the effects of both wage and operating costs on the NGHSS sector and is composed of a composite wage/cost index comprising 80% State wage-price index and 20% State consumer price index.

A review of that indexation policy was conducted in 2007-08. The ongoing payments now made to the sector are revised annually to reflect updated rates. The indexation rate is now calculated annually as part of the midyear review process, and at year end. This policy ensures that the non-government human services sector is funded for cost increases throughout the course of the funding cycle at a predictable and fair rate. It is intended to contribute to stability within that sector and assist non-government organisations to broadly keep pace with cost increases in the delivery of agreed outputs.

I will make some observations on some of the comments that Hon Ljiljana Ravlich made when she was referring to page 794 of the budget papers. She quoted from that page but unfortunately misread it. After all

these years Hon Ljiljana Ravlich unfortunately still does not know how to read budget papers. She read a vertical line and called all the items reductions in non-government sector payments, but the non-government sector payments are a single line item. She needed to run the figures across the page and not down the page.

Hon Sue Ellery: How does that make it any better?

Hon HELEN MORTON: I will tell the Leader of the Opposition. Hon Ljiljana Ravlich somehow managed to add everything vertically instead of horizontally. Had she bothered to follow up on the single line item that was referred to and then gone back to where she would have got further information about it, she would have seen that it was a reduction of \$1.3 million over four years. She needed to go to page 117 of the budget papers, which deals with general government expenses. She would have seen that the full amount of these savings is related to administrative changes in the two departments of Child Protection and Communities and that they have nothing to do with grants.

When the two departments were split as a result of the Ford review, there was a duplication of administrative functions. By bringing those administrative functions together under the Department for Communities, there is a saving of \$1.3 million over four years. Treasury has confirmed for me that no grants were cut in this budget. This is a very responsible efficiency measure of savings within administration without reducing the grants to the not-for-profit sector. If anybody should be congratulated for that, Hon Robyn McSweeney should be congratulated for achieving the exact outcome that was required. Despite all the difficulties facing all other aspects of the state, the not-for-profit sector grants have been spared cuts and have been indexed by the consumer price index. Even so, I do not have a problem with understanding that during the next few years there will be a need for more efficiency measures and that some non-viable not-for-profit organisations may have to become more efficient. This could be done as part of the midyear review. Perhaps they need to join partnerships, merge or enter into some different arrangements, as some of them are not viable because of the way they are continuing to work. I think that taxpayers want us to be more careful with their money when we contract out services. I think their objective is to make sure that those services are delivered well to the people who need them and that they are delivered as efficiently as possible.

I support the amendments of Hon Robyn McSweeney and also congratulate her for finding an administrative saving of \$1.3 million in only administrative costs within the agency, without reducing grants to non-government agencies. For these fiercely independent organisations, which do not want to be state government controlled, which have multiple sources of funding, in which staff may be covered by either state or federal awards and whose leadership decides which contracts they will enter into and which they will not, and what else they will provide over and above that, how can a government ensure they have appropriate resources to meet demands? The original motion is not achievable and is a nonsense.

HON LYNN MacLAREN (South Metropolitan) [4.48 pm]: I, too, have a bit of experience in the not-for-profit sector, working with the Western Australia Council of Social Service for the past four years as one of its policy officers, with a particular focus on sector viability. I note with interest the comments that members have made. I, too, would like to put a bit of a spin on it. I would like to discuss the role of not-for-profit organisations and the necessity for them, regardless of economic conditions, which I think many of us agree with. There is a particularly critical need for them at times and in some circumstances. There is an argument that this is one of those circumstances. They face increases in demand due to the global financial crisis. I believe that not-for-profit providers have been judged to function very efficiently. Those judgements are shared by the Productivity Commission. There are still some challenges in the sector that we would like to bring to the fore in this debate. Finally, there is hope and a way forward on how we can have a more sustainable not-for-profit sector.

The government does have responsibilities and the people of Western Australia have a reasonable expectation that it will fulfil those responsibilities. In some cases neither the government nor the private profit-driven sector are in the best position to deliver those programs or services. That is why we feel it is important that the government support not-for-profits in delivering those services. Examples that we have already mentioned include the family and domestic violence services, the scouts, community legal services, the Salvation Army, the Red Cross —

Hon Robyn McSweeney: WACOSS.

Hon LYNN MacLAREN: Yes, even the Western Australian Council of Social Service. The many regional childcare centres in Western Australia are funded by government because they are not otherwise provided for. On the whole, community needs are not met by a magical blend of philanthropy and profit-driven private enterprise. The government has a role to play in ensuring that the not-for-profit sector is adequately resourced to deliver these services.

Let us take a look at the necessity for these services, regardless of the economic conditions. A large part of the not-for-profit sector provides human services. These are categorised as follows: health, including mental health,

women's health and community health; community services and development; disability; employment and training; aged and community care; family; children and youth services; drug and alcohol services; Indigenous services; cultural and linguistically diverse groups that also rely on not-for-profits; justice; housing; and advocacy services. In fact, the minister has very kindly provided us with a list of agencies that are receiving funding from the government. There were 205 agencies on the list, or 203 depending on who counted them properly. Members will note that there are a range of services from all around the metropolitan region, including the Armadale Community Family Centre, for instance, and also family centres in Victoria Park, Joondalup, Karratha and all around the state. These services are provided in everyone's electorate. We should all be very familiar with them and the work they do.

Hon Robyn McSweeney: There are actually 534 between the Department for Communities and the Department for Child Protection.

Hon LYNN MacLAREN: I thank the minister very much. That is a very significant list. Does that include the services that Wendy Duncan mentioned?

Hon Robyn McSweeney: Some of those are included.

Hon LYNN MacLAREN: As Helen Morton mentioned earlier, services do draw their —

The PRESIDENT: I think the member meant to refer to Hon Wendy Duncan and Hon Helen Morton.

Hon LYNN MacLAREN: Sorry. Yes, keep me in order, Mr President. I was a little wrong-footed there.

Hon Robyn McSweeney: I think you were going to say that services were —

Hon LYNN MacLAREN: Yes, many services draw funding from many different sources of funding, as Hon Helen Morton very eloquently explained earlier, and as I tried to say just now. The other services that I would like to draw members' attention to that are held in quite high esteem in our community are groups such as Ngala, which provides help for young families and mothers with babies, the Aboriginal Alcohol and Drug Services, the Bullsbrook Neighbourhood Centre, Centrecare, the Metropolitan Migrant Resource Centre and the Citizens Advice Bureau. Quite a range of services are provided, including the Learning Centre Link, which is particularly strong in my area of South Metropolitan. There are also many volunteer centres, as Hon Wendy Duncan mentioned earlier, and WACOSS. Services that are not being provided by the government or by the private sector are very efficiently provided by the not-for-profit sector.

There is a critical need for these services. Hon Ljiljanna Ravlich reviewed several of the economic indicators that tell us what that need is. There are 68 000 people in Western Australia who are now unemployed. She made us think of not only those people who are unemployed, but also their dependants, who are also doing it tough. The number of housing approvals that the member pointed to of 4 451 tells us exactly how many new homes are being built. We know that 22 000 people are on the waiting list for public housing. We can see clearly that many people still remain homeless or are at least couch surfing, staying with families or even in emergency accommodation, which may be provided by these not-for-profit services. The economic indicators that the honourable member mentioned included falling expenditure on mining exploration, which was down 11 per cent, and increases in fees and charges. This is significant because how hot the economy is affects how many people are in dire need of these not-for-profit services. While some people benefited greatly from what was referred to as Labor's boom years—they had quite a bit of freedom and economic power—a significant number of others were pinched by that boom and could no longer afford the escalating costs that the boom created in this state.

Hon Ljiljanna Ravlich asked us what were the contributing factors to that significant increase in demand for services for those not-for-profit and non-government service providers. We know that there is a critical need for not-for-profit services during times of high unemployment, of which this is one, when existing government services are inadequate to meet demand. That is the case, for instance, in regional Western Australia where we may not be able to stretch far enough to meet demand and therefore rely on the not-for-profit sector to do it. There are also cases of policy changes affecting people's demand for not-for-profit services. The Howard federal government's Welfare to Work reform is one example of that. That policy change meant that more people were finding it difficult to get employment assistance and income support and therefore they were put on the list of clients in the not-for-profit sector. Thinking back a little further, changes in the mental health policy led to the release into the community of many who had been in managed care facilities. Those people who were not helped by the government sector also came to the notice of the not-for-profit sector and the emergency services. The most publicised example would be housing in remote areas where the private sector has been unable to provide enough housing for people. The scarcity pushed up the cost of housing, which meant that people were more vulnerable to homelessness and required help from the not-for-profit sector to house themselves.

WACOSS has been particularly good at articulating exactly what the rising cost of living is. We heard this week that its latest cost-of-living report has been released, which is titled "The Rising Cost of Living in Western

Extract from *Hansard*

[COUNCIL - Wednesday, 19 August 2009]

p6107h-6114a

Hon Wendy Duncan; Hon Helen Morton; Hon Lynn MacLaren

Australia". Just to remind members, household expenses have increased by approximately \$105 a week, or 17.7 per cent. During the same period, income levels for minimum wage earners have increased by \$41, or 5.15 per cent. The Australian Bureau of Statistics has said that there are 1.147 million people employed in Western Australia. The employment numbers are good. UnionsWA estimates that 7.1 per cent of them are paid at a rate specified by a state award. That is important to know because the majority of employees who are reliant on minimum wages in WA are low-income employees. These low-income employees are also in need of emergency services at times. In WA, the latest census data suggests that low-income households are concentrated in a narrow band along the eastern side of the city, stretching from Balga in the north to Armadale in the south east, in the southern coastal areas of Kwinana, Rockingham and Mandurah, and in the suburbs to the immediate south of Fremantle, Balga, Midland and Midvale. Bentley, Hamilton Hill and Coolbellup all have more than one-third of all households classified as low-income households. Similar proportions were located in the south of Western Australia, particularly in the suburbs of Calista, Medina, Rockingham, Shoalwater, Mandurah, Furnissdale and Coondanup. The phenomenon of earning a low income and being vulnerable to the economic climate is widespread.

Debate interrupted, pursuant to standing orders.

[Continued on page 6124.]