

Chairman; Hon Ljiljanna Ravlich; Hon Simon O'Brien; Hon Jon Ford; Hon Murray Criddle; Hon Kate Doust;
Hon Bruce Donaldson; Hon Giz Watson; Hon Derrick Tomlinson

Division 69: Disability Services Commission, \$184 753 000 -

Hon George Cash, Chairman.

Hon Ljiljanna Ravlich, Parliamentary Secretary to the Minister for Disability Services.

Dr R. Shean, Chief Executive Officer.

Mr D. Ramanah, Acting Director Corporate Management.

The CHAIRMAN: Government agencies and departments have an important role and duty in assisting Parliament to scrutinise the budget papers on behalf of the people of Western Australia, and the committee values that assistance.

It would greatly assist Hansard if, when referring to *Budget Statements*, volumes or the consolidated fund estimates, members would give the page number, item program, amount and so on in preface to their questions. If supplementary information is to be required, I seek your cooperation in ensuring that it is delivered to the committee's clerk within five working days of receipt of the questions. An example of the required style for the documents has been provided to the ministerial advisers. I remind those members of the public in attendance that only accredited media representatives may take notes; however, full *Hansard* transcripts will be available to the public within a week of the close of these hearings.

The committee reminds agency representatives to respond to questions in a succinct manner and to limit the extent of personal observations. For the benefit of members and Hansard, I ask the parliamentary secretary to introduce her advisers to the committee and for each adviser, in due course, to state his or her name before answering questions. Time is limited, and I ask members to be succinct with their questions and I ask that the parliamentary secretary and advisers also be succinct with their answers.

I welcome Dr Shean and Mr Ramanah. I ask witnesses whether they have read, understood and completed the Information for Witness form. I indicate to the Hansard reporter that both witnesses have confirmed their understanding of the meaning and effect of the provisions of that document. I now move to a brief opening statement from the parliamentary secretary.

Hon LJILJANNA RAVLICH: Thank you, Mr Chairman. The Disability Services Commission has four outputs - residential services, non-residential services, individual coordination, and strategic coordination. No cuts were imposed on the department this financial year. The priority and assurance dividend of 1.5 per cent, which was imposed across some other government agencies, was not applied across the disability services budget. That is a clear demonstration of the Government's strong commitment to people with disabilities and their families.

In real terms, there has been an increase in funding of 6.95 per cent. The budget provides a total of \$184.1 million for disability services, which represents an additional \$16.7 million in recurrent funding for the disability services portfolio. There has been a growth in funding. Included in this \$8.511 million is growth in funding to provide much needed additional support to people with disabilities, their families and carers. This year, central to our funding commitment and to growth in funds is a \$2.041 million contribution of new moneys for carers. That is part of the State Government's pre-election commitment of \$10 million over the forward estimates period, which recognises the crucial role played by carers within our community who support family members and people with disabilities.

I will not discuss the new outputs in detail because I know that we are strapped for time. However, I will make a point about the Commonwealth-State Disability Agreement, which expires on 30 June 2002. The renegotiation of a successful agreement with the Commonwealth is a priority for the State Government, because it wants a commitment from the Commonwealth to the existing funding level, including the additional unmet-need funding. The State Government will consider accepting joint responsibility with the Commonwealth to ensure that the Commonwealth does its share in providing additional funding so that the output can be maintained in the area of disability services. This Government is committed to working with the community to achieve the best outcomes, which are outlined under the four outputs.

Hon SIMON O'BRIEN: I refer to the fourth dot point on page 1191 of the *Budget Statements*, which relates to agency viability. What indexation factor is the commission providing to agencies for state government funding?

Hon LJILJANNA RAVLICH: A factor of 2.5 per cent.

Hon SIMON O'BRIEN: That figure is indicated elsewhere in the budget papers as the government estimate, but, in view of the fact that the implicit price deflator is estimated at 2.75 per cent, wages growth is estimated at three per cent, the underlying consumer price index is indicated at three per cent, and government average expenditure

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growth over the past six years has been 6.7 per cent, how does the figure of 2.5 per cent assist agency viability? At face value, it indicates that there will be a deterioration in non-government agency viability.

Hon LJILJANNA RAVLICH: The figure of 2.5 per cent is only an estimate. I refer to Dr Ruth Shean for the detail.

Dr SHEAN: The 2.5 per cent is the base rate of indexation for funded agencies from the State Government. The Commonwealth Government strikes a separate rate. The agency viability point on page 1191 of the *Budget Statements* is made to show that other support over and above indexation is being provided to funded agencies. For example, the commonwealth embedded wholesale sales tax downwards adjustment, which was to be made to all agencies, has not been passed on. This is the so-called saving that agencies made from the goods and services tax, which many, if not all, would dispute. Another adjustment that has been made to benefit agencies over and above the 2.5 per cent of indexation, is the superannuation guarantee levy, where a one-off adjustment has been made for the current financial year, independent of the budget. However, it is acknowledged that the cost escalations of arbitrated safety net increases are frequently close to 2.5 per cent, and that agencies must manage carefully within their budget allocations, as do the Disability Services Commission and all government departments. In some cases this means that, where savings can be made, the Disability Services Commission works in consultation with agencies to ensure that these savings are able to be realised to protect agency viability.

Hon JON FORD: My question relates to output 3, "Individual Coordination" on page 1197 of the *Budget Statements*. I notice that some growth has taken place in the funding provided for individual coordination. Will the parliamentary secretary outline the benefits for regional Western Australia?

Hon LJILJANNA RAVLICH: The Government intends to expand the local area coordination services to a further 239 people. This initiative will ensure that the number of local area coordinators keeps up with the population growth in regional centres and in the metropolitan area. The benefit of LACs comes from having a presence in local communities. The network of LACs that was initiated under the last Labor Government was continued, and there are now 120 LACs around Western Australia, with 43 in regional areas. An example of local experience informing practice is apparent in the decision by the Disability Services Commission to provide a \$50 000 emergency support package to the mid west, midlands, the upper great southern and the lower great southern regions to assist families already adversely affected by drought conditions. LACs in drought-affected areas reported that families were feeling the negative effects of the drought, and the local area bodies worked cooperatively with the community to achieve the best outcomes.

[4.00 pm]

Hon M.J. CRIDDLE: On page 1190, the second dot point of significant issues and trends refers to community expectations. It was recently brought to my notice that a child with severe disability had difficulty getting a carer for a full day. The allocation was 0.5 of a day instead of a full day, so the child could not complete the school day. There was a discrepancy in the time. The family had to travel significant distances to pick up the child from school, which disrupted their whole day. Is there an opportunity for some flexibility in that area?

Hon LJILJANNA RAVLICH: Because of the time limitations and the specifics of the question, I will defer to Dr Ruth Shean.

Dr SHEAN: Aides for children at school are handled through the Department of Education. School aides are not assigned to individual children. An allocation is made to the school and classroom teacher to use the time of the aides effectively for the whole class. The reason for this is that when aides were assigned individually to children, it was deemed that the aide became a quasi teacher, which resulted in less satisfactory educational outcomes for the child. The aides in the school system are nominally allocated on a percentage basis for each child with a disability, but for the classroom teacher to best use as support as required overall. The Department of Transport is responsible for the transportation of students with disabilities to and from schools when special requirements are involved.

Hon KATE DOUST: Output 2 on page 1195 refers to non-residential and therapy services. I am aware that therapy services are in great demand. Can the parliamentary secretary provide us with some more information about the funding for therapy services in this budget?

Hon LJILJANNA RAVLICH: On page 1195 it states that the allocation increases from \$59 million to \$67.8 million. Therapy services is one of the areas that benefits from this real increase. This budget allows for an expansion of therapy and professional services, aides and equipment for an additional 747 people who are in need of those services.

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I also note that on page 1196, a major initiative for 2001-02 is to increase and improve therapy services in country areas. That is a great commitment by this Government. An amount of \$288 000 has been allocated to build on the capacity of therapy services in country areas. The Government is committed to this area of high need; hence, the allocation in this budget to that area.

Hon B.K. DONALDSON: Will the parliamentary secretary clarify the major initiative for 2001-02 on page 1200, which is to develop a framework of social indicators for disability? That is a pretty broad statement.

Hon LJILJANNA RAVLICH: I refer that question to Dr Shean.

Dr SHEAN: The matter of social indicators is one into which the Gallop Government has put a lot of effort. The social policy unit will follow up on the detail of that. It is in line with a number of the North American programs that focus on output-based management in which funds are prioritised according to community need and not just political imperative. In the disability area our most consistent approach to addressing social indicators is through our purchasing agreement. We are nearing the end of the first three-year purchasing agreement, and we will shortly embark on a new one. Instead of doing this uniquely within the commission, we are working across government to ensure that the broader social indicators that the community generally feels are important are addressed, rather than those set by political imperatives.

Hon B.K. DONALDSON: A further dot point on the same page is to review and update the allocation process and funding framework for accommodation support, intensive family support and alternatives to employment. Is that part of the earlier initiative to develop a framework, because it moves from the incentives and parameters in that framework into the allocation of funding?

Dr SHEAN: It is a similar process. However, this is in much greater detail than our purchasing agreement. In the purchasing agreement we specify broad social indicators. These reviews on allocation processes and funding frameworks will be more detailed. For example, the funding process for accommodation is currently under review. The families that are involved in that process are telling us what issues are important for them. For example, where funds are limited, families know that saying they want more money is unlikely to result in a better outcome for them. However, saying that they want the process simplified or they would like more accurate feedback on their funding priority is likely to result in more useful information for families. We are working on that at the moment.

Hon GIZ WATSON: I refer to page 66 of the commission's annual report, which refers to a 16.5 per cent increase in the number of people with disabilities in Western Australia since 1993, and to page 73, which notes that over the past five years, the biggest increase in the number of people living at home with family has occurred in the 45 to 64-year age group. That was a 53.3 per cent increase. The issue of ageing carers and the shortfall in respite care has been raised vigorously with me. It has been acknowledged that the respite provisions are working well. However, I am interested particularly in the waiting list for the placement of people with disabilities in suitable residential care. What percentage of people urgently requiring accommodation are not having their needs met? What funds will be allocated to address the matter in this budget and does it represent an increase?

[4.10 pm]

Hon LJILJANNA RAVLICH: Caring for carers, particularly those who look after people with disabilities, has been a priority in the disabilities budget this year. It is a growing problem and it is a concern among ageing parents of children with disabilities. I have attended many meetings, in a former political role, at which it was a constant concern of parents. I make the point that the Government has allocated \$10 million to a carers' package, which is one of the Government's strategies to support carers. The Disability Services Commission is currently coordinating the initiatives from the carers' package in association with the Office of Seniors Interests, the Department of Health and the Carers Association of WA. The members will see in the election commitments listed on page 120 of budget paper No 3, an allocation to the Disability Services Commission in the forward estimates of \$8.164 million and a direct allocation in this budget of \$2.041 million. I ask Dr Ruth Shean to provide specific information on the waiting list replacements.

Dr SHEAN: In the last funding round some 300 applications were made from people who were not having their needs met. One must bear in mind that these applications relate to demand, not need. We are aware only of people who ask for funding. Some 62 400 people have severe and profound disabilities and I estimate that many more of them would ask for funding if it were available.

Some 12 people were fully funded for full-time out-of-home care; 92 were not funded but had their applications automatically resubmitted; 23 were acknowledged as having significant needs that were not as pressing as those of the latter group but whose applications will be automatically resubmitted; and a further 18 were told that they were unlikely to be funded unless their circumstances changed. Those 145 people account for around half of the

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300 applicants who presented with significant needs. The remaining 155 applicants do not comprise a waiting list because the order may change as new applicants with greater needs come forward.

In the year ahead the growth for out-of-home accommodation allows for 60 new places which will be allocated quarterly on an average of 15 places per round. Again, the allocation of those 15 places depends on the type of demand. In the last round, 12 places were allocated because the applicants had more complex needs requiring higher levels of care. We must bear in mind, however, that other types of support are available besides support in out-of-home accommodation. Intensive family support, which supports the same group of individuals, can allow for support to a value of up to \$30 000 for care in a person's own home. Similarly, alternatives to employment funding allows for around \$19 600 per person for someone to engage in an alternative-to-employment day activity. That would usually apply to a person who was unable to gain employment through the Commonwealth. Support for day activity is primarily a commonwealth responsibility.

The CHAIRMAN: I shall take a brief question from my left. I cannot afford any more time because a number of professional advisers are waiting.

Hon LJILJANNA RAVLICH: The only point I make about the Government's allocation of \$2.041 million in this year's budget is that one of the key areas of demand is for respite services. Part of that money will go towards expanding existing respite services and facilities to promote more responsive and flexible respite arrangements. I am sure the member has heard of the need for services in that area.

Hon DERRICK TOMLINSON: I refer to page 1200 of the *Budget Statements*. I note that the capital works program is to be funded from asset sales and borrowings in 2001-02. I also refer to commonwealth budget paper No 3, in which it indicates that a specific purpose payment of \$39.7 million will be given to Western Australia for disability services. Will none of that commonwealth allocation to the State be used for capital purposes?

Hon LJILJANNA RAVLICH: For the sake of expediency, I will refer that question to Mr Ramanah.

Mr RAMANAH: No commonwealth money is included in our capital works program expenditure.

Hon DERRICK TOMLINSON: Does that mean that the redevelopment of Fairholme Hostel is uncertain?

Mr RAMANAH: The redevelopment of Fairholme Hostel is included in the capital works program for 2001-02.

Hon LJILJANNA RAVLICH: The total expenditure that has been approved for 2001-02 for the upgrade of Fairholme Hostel is \$727 335.

The CHAIRMAN: I will have to cut short this division because professional officers from the Department for Community Development are waiting. It is obvious that we perhaps need to allocate more time next year to cover members' questions about the Disability Services Commission. That will be suggested to the business management committee in due course. Members are welcome to submit any written questions on notice, which will be answered. I thank the Parliamentary Secretary to the Minister for Health, Dr Ruth Shean and Mr Denis Ramanah for their attendance today.

[4.20 pm]