

FINANCIAL COUNSELLING — FOOTHILLS INFORMATION AND REFERRAL SERVICE

Grievance

MR N.W. MORTON (Forrestfield) [9.49 am]: I rise today to grieve to the Minister for Community Services. On Wednesday, 27 May 2015, I met with representatives from the Foothills Information and Referral Service regarding funding for financial counselling services from the Western Australian government. FIRS is a not-for-profit community-based organisation that is run by a volunteer board. FIRS has been operating in Forrestfield since 1992 and provides non-judgemental, non-discriminatory services to families and individuals.

Ms S.F. McGurk: This government is going to cut them! That's what's going to happen!

The SPEAKER: You are not involved in this at this stage.

Mr N.W. MORTON: FIRS' clients include a range of ethnically diverse people. As well as financial counselling, it provides emergency relief services, a supported and developmental play group and referral and information services to other organisations. FIRS' financial counselling service assists 310 families a year and provides essential assistance for people with a variety of issues, including mental health and unemployment. Its services have been in growing demand amongst fly in, fly out workers given the recent downturn in the mining sector, and it currently has a waiting list to access its services.

I will quickly outline the services provided by the centre's financial counsellor. He works with individuals and families risking disconnection from essential services. He advocates and negotiates on housing issues. He negotiates with telephone and internet service providers, financial institutions, debt collectors and other creditors. He advocates for and provides information about consumer rights, including information about consumer credit and independent dispute resolution schemes. He improves people's budgeting and negotiating skills. He provides information about bankruptcy and early release of superannuation. He assists in ensuring access to concessions and entitlements. He applies for various grants, makes appropriate referrals to legal services, emergency relief services and other local services. He assists clients with Western Australia's low interest loan scheme applications.

Similarly, my good friend the member for Belmont, Glenys Godfrey, has expressed concerns about the cessation of funding to Jacaranda Community Centre. Jacaranda's financial counselling is unique in its delivery as a reflection of the community needs of its client. For example, although most people are able to use a telephone service for financial counselling, this is not the case for many of the people who attend Jacaranda through literacy deficiencies or culturally and linguistically diverse issues, inability to use or access a telephone or disability. Jacaranda offers a face-to-face service that helps clients who may lack the prerequisites for telephone services. More specifically, Jacaranda deals with a large number of Aboriginal clients whose financial circumstances are linked to complex family structures, which are further complicated by cultural issues linked with their financial issues. Jacaranda has a lot of experience in supporting the unique needs of such clients. It is my belief that a halt to the financial counselling services of both FIRS, in my electorate, and the Jacaranda Community Centre, in the member for Belmont's electorate, would be to the detriment of our communities as well as to the Shire of Kalamunda and the City of Belmont. The discontinuation of these services, minister, would be a major loss to the community, and I encourage the government to extend FIRS' financial counselling services beyond the current year 2015.

MR A.J. SIMPSON (Darling Range — Minister for Community Services) [9.52 am]: I thank the member for Forrestfield, and also the member for Belmont, who have raised the issue of financial counselling services.

Ms S.F. McGurk interjected.

The SPEAKER: Member for Fremantle, I call you to order for the first time.

Mr A.J. SIMPSON: I thank those members for raising this concern. I will relate a bit of history behind financial counselling services and how they came to fruition and also the hardship utility grant scheme and how that process started. Money was put up for a fund for hardship and utility grants and people could apply for that money to help them when they were experiencing hardship. They have to do a test to prove hardship. This process started many years ago. The scheme sat within the Department for Child Protection and Family Support, so that when the department was dealing with the welfare of children, it could also deal with parents to help them through that process to access funding. The financial counselling service was developed through that process so that people could be assisted to access that money. As the world moved on, the Department for Child Protection and Family Support considered whether financial counselling was part of its core business of child protection. The government took that opportunity to look at the service, and that is why it came to me as Minister for Community Services. I fund just over 150 organisations to the tune of \$20-odd million a year by providing services for parents, families, children, seniors and so forth. It was a natural fit for financial counselling to come over to me.

It is important today to acknowledge the grievance of the member for Forrestfield, supported by the member for Belmont, about financial counselling services. The government has looked at how it can better deliver these services. I note that my department has consulted far and wide with the sector. The director general visited the Foothills Information and Referral Service and also Jacaranda Community Centre to see the service they provide. As the Minister for Community Services, a key issue is partnerships. We have made it very clear to the sector that we are working with it to come up with a better solution for the delivery of these services. The department has been involved with FIRS and Jacaranda and the service they deliver, and is finding a way forward.

As at 1 October this year the Department of Local Government and Communities will have responsibility for both metropolitan and regional financial counselling services. Members should keep in mind that the budget allocation for financial counselling services is \$5.75 million, comprising \$2 million for metropolitan services and \$3.7 million for regional services. The other thing, which is more important to me as the Minister for Community Services, is that these contracts are for three years. The standard contract offered to the community sector is from three to five years.

I make a quick comment for country members that services in the country are not affected by this change as their contracts are all in place. They will be transferred to my department, but they are not affected by any changes. The government is looking at changes in the metropolitan area and trying to support face-to-face services. In the way forward, we are in the process of advertising an inclusive tender, whereby people in the industry can apply. The tender is not widespread and open to the whole community; it is for financial counsellors. We have divided the metropolitan area into five regions—Perth, north east, south east, south west and north west. Those regions are in line with statistical data collected by the Australian Bureau of Statistics.

Mr P.B. Watson: Does south west cover Albany?

Mr A.J. SIMPSON: I apologise, member, this is the metropolitan area. The government has lined up these regions with ABS areas, which will enable the department to look at statistics on people's incomes for each area and to align that with the money that is available. A bucket of money will be allocated and a restricted tender process is kicking off. Services providers can apply to deliver those services. This will be a partnership. We have been looking at stand-alone financial counselling and have gone through a number of meetings with the sector to make sure it understands what the government is trying to achieve.

Ms S.F. McGurk interjected.

The SPEAKER: Does the member want me to call her for the second time?

Mr A.J. SIMPSON: On 12 August, the department held its first meeting with 32 individuals from 21 organisations; and there was a further meeting on 25 August to work out better modelling. The sector has been very supportive of these meetings with the department. We are trying to find a better way to deliver these services. We want to make sure we can deliver those services.

There will be a bit of a transition process when the current system stops on 30 September, as it will take two weeks to get the next lot of money out, so I acknowledge there will be a little bit of pain for those two weeks, but once it is all locked in, those service providers will be able to provide those financial counselling services to their clients.

It is important to recognise that as the Minister for Community Services, I have been able to look at a sector and how services are delivered. More importantly, I have worked with the sector as a whole, which has been very supportive. As I said, meetings were attended by over 30 people from 21 organisations who have had the opportunity to come in, sit down and work with the department on how this service can be better funded. More importantly, this process will put the money where the need is. I note the response of the sector to the government's announcement. My notes indicate that the Financial Counsellors Association of Western Australia said —

“We're looking forward to working with Community Services Minister ... to achieve an efficient, effective financial counselling service.”

The association is pleased with the outcome. The Western Australian Local Government Association said that it is fantastic that the government has come forward with its announcement and that it looks forward to working within the process.

The government has listened to the sector, and worked with the sector to come up with a solution to provide face-to-face financial counselling as well as phone services. However, there will be some changes in the budget. Previously, people could not access the hardship utility grant scheme unless they went to a financial counsellor. As at 1 September, utilities can apply for this grant and people will not have to go to a financial counsellor to

access hardship grants for utilities. The funding for financial counselling will be a bit less than last year, but I am happy to work with the sector. I am looking forward to taking on this new challenge and working with the sector to make sure we can deliver the service. The government will try to work through the issue to get those services back into the areas where it is most needed. That service will come under my department, the Department of Local Government and Communities.

Ms S.F. McGurk interjected.

The SPEAKER: Member for Fremantle, I call you to order for the second time.