



Hon. Alan Carpenter MLA
PREMIER OF WESTERN AUSTRALIA

WACOSS CONFERENCE
Thursday, 4 May 2006

Thank you and good morning.

It's a privilege to be here today to open the WACOSS Conference 2006.

And make special welcome to

- Rae Walter – President of WACOSS
- Lin Hatfield-Dodds – President of ACOSS
- My Parliamentary colleagues
- Delegates, ladies and gentlemen

In the short time I've been Premier I've had a number of opportunities to talk about Western Australia's strong economic performance – in a variety of contexts.

It's all true – we do have a V8 economy, with a forecast growth rate for this financial year of an impressive 4.7 per cent, a resources boom that's contributing to record low unemployment, a property boom no one predicted and extremely high levels of business confidence.

And be very clear. Our social agenda has not been forgotten in the maelstrom of economic activity, it has been thrust into its own spotlight.

With the economy in good shape, we – and I do mean WE - have a real opportunity to look at the interplay between the social and the economic and how that can work better.

The challenge is not about getting the economic settings right and doing some sort of “cash transfer” into the social services sector. It is about tackling social, environment and economic challenges simultaneously and understanding that effort in each area impacts on the others.

The fabric of our community is rich and complex.

The solutions – the best policies, investments and actions that will lead to a more just and equitable society that offers opportunities and promise to everyone – are just as complex and sometimes hard to get at.

They take time, effort, commitment – and sometimes a decent dose of faith.

That's why I'm really pleased to see all of you.

My message to everyone I speak to – privately or publicly – is that no one sector (government, community or private) can do it alone.

This is why our government needs and wants to work very closely with your sector, in all its diversity – paid workers, volunteers, consumers, carers, policy developers and managers - you're all represented here today.

And this annual conference is a terrific forum in which to do some of that work, and some of the thinking we don't always get the time or right environment for. To take stock, debate the issues, listen to some different points of view, take on board new ideas and agree to grapple with challenges, perhaps in different ways – and all of it to benefit the people we serve within our community.

I've talked a bit about the interplay between economics and our social agenda. Well the spotlight will be on some of that potential when we bring down the budget next week.

State Budget

So the economy is strong.

However a strong economy brings an avalanche of demands – whether its increased spending on infrastructure, wages, more services or more tax cuts.

I hope you'll recognise in the budget some very fundamental motivations – a drive to create a society in Western Australia that is strong, confident, compassionate and fair;

- a society that values participation, and the rights and duties that responsible participation involves;

- a society that values equity - in particular equity of access to services and information; access to economic and social power; and equity of access to resources.

As always, the budget is a balancing act. It's true we have a great opportunity to maximise the benefits of substantial economic growth for everyone in our community.

And it's certainly true that we must use the State's revenues wisely – by investing in our future generations as well as responding to current and pressing social needs in the community.

And we go into this budget with a lot to build on, in the areas of homelessness and disability, Active ageing, the Gordon Inquiry, the Industry Plan, and, more recently the Mental Health Strategy.

That work will go on, and we're taking a very meaningful tilt at addressing some new challenges too.

There's no doubt that budget time helps focus any Government– on its top targets, its priority goals.

In the coming budget, you will see a keener focus and bigger results in areas including children, mental health and disabilities.

We are maintaining our pledge to keep the basket of household taxes and charges below the rate of inflation.

This is something we have done in each of our first five budgets – and our commitment to hold down the costs of household taxes and charges continues.

And we will expand on our record investment in public health and education. We want to maximise access to services.

I know that services for children in particular are a priority for the community sector. They are a priority for this State Government too.

We are looking closely at how we can build on our previous efforts to reduce family violence, particularly in the Indigenous community, support children-in-care and expand further on the initial work that came under the umbrella of the Early Years Strategy.

There will be extra investment in children in the coming budget - and while much of it will go to those most in need of care and protection, this Government will always also make prevention and early intervention high priorities.

We will also be investing heavily in much-needed mental health services. Once again, it's a balancing act – and we are working hard to get the balance right between extra resources for acute care and extra resources for community support and accommodation.

But let me get to a couple of important specifics.

I can't and won't pre-empt the entire budget but I do want to make mention four important initiatives.

Continence

The first is an important commitment in the disability area – funding to be shared, by the Department of Health and Disability Services Commission.

I am talking about a commitment of \$18.1 million dollars for the establishment of a community-based continence advisory service to be managed jointly by the two agencies.

The Disability Services Commission will be provided with \$10.7 million over four years so that seniors and adults who are currently ineligible for a continence management product subsidy under other schemes, will get a subsidy.

And there's another \$7.4 million over four years for the Department of Health to establish a State-wide continence support service responsible for conducting assessments, liaising with clinical specialists and providing continence advice and counselling to people across the State.

Thermoregulatory Dysfunction

The second initiative might not involve as much money, but it's not always about the dollar figure. For the people who need it – it's real relief.

And it's evidence that they have been heard.

I'm speaking about support of around half a million dollars for sufferers of clinical thermo-regulatory dysfunction.

I'm sure many people in the wider community would be unaware of the fact that there's a relatively small number of people who aren't able to regulate their own body temperature because of suffer from a range of severe medical conditions.

In this budget, we are introducing an energy bill subsidy to those people with conditions like quadriplegia, poliomyelitis and motor neuron disease, to help with the cost of operating heating and / or cooling equipment at home.

It's a subsidy similar to the life support equipment energy subsidy already provided by the Government.

This concession now makes six new concessions introduced in this new term of government to assist those who are most in need in our community

The total cost of state government concessions now exceeds \$400 million per annum and remains a crucial lever in our efforts to tackle poverty in this state.

Indexation

Let me turn now to something of more widespread impact – the issue of indexation.

WACOSS and other peak groups have lobbied hard on the matter of improving Western Australia's landmark Indexation Policy which provides a *mutually agreed, formula-driven level of indexed funding* to cover the major cost-drivers of community service organisations funded by State Government agencies.

I am happy to announce that the indexation rates will be adjusted to reflect the more realistic projections of wage costs and inflation.

The State Government will increase its indexation payment in the forthcoming budget.

Indexation rates have been revised upwards in 2006/07 and across the forward estimates period. For example, the previous indexation rate of 2.9% for 2006/07 has been revised by half a percentage point to 3.4%.

The Government will also provide a *one-off adjustment to the level of indexation for this current financial year*.

This means that non-Government organisations funded by State agencies that received indexation funding based on an indexation rate of 2.9% for programs in the last budget will get a top up to reflect the revised indexation rate of 3.5% for 2005/06.

The initiative will benefit the organisation by an *additional* \$25 million over five years.

It brings the *total sum* for providing indexation to the sector to \$155 million from 2004/05.

And I hope Commonwealth agencies take a lead from us on this score - I understand that there's pressure on local commonwealth-funded community organisations and I support your national colleagues in their efforts to lobby for similar conditions from the Commonwealth. Rest assured that the state government will also continue to put pressure on the Commonwealth in its Commonwealth-state relations.

Supported Accommodation Assistance Program (SAAP)

This budget will also contain an additional \$13.4 million over five years for SAAP initiatives:

- \$5.4 million over five years has been allocated to implement the SAAP Five Agreement, while \$1.5 million has been allocated over the same period to apply the Non-Government Human Services Sector Indexation Policy to SAAP services;
- \$1.5 million over four years for a new domestic violence refuge service in the northern metropolitan area; and
- \$5.0 million over four years to address the cost and demand pressures of the sector and maintaining current service levels. This represents a 10 per cent increase in funding to the SAAP sector.

So that's an extra \$13.4 million into the SAAP sector.

These are just some of the initiatives to be contained in the State Budget next week.

I'm not going to rattle off a shopping list of past or future programs. As I've said, the long-term, sustainable solutions to complex issues of social need and disadvantage demand more than token servings at the table of economic prosperity.

With that in mind, I also want to mention a new agenda, which is evolving in the Council of Australian Governments meetings, or COAG meetings – the meeting and sometimes clashing of minds and hearts between the Prime Minister and the State Premiers.

As you may know, the COAG agenda in the past has mainly focussed on competition policy, utility reform and other sorts of economic reforms that aim to improve the productivity of our economy.

Lately, the Premiers have sought to place social issues, such as early childhood, mental health and Indigenous disadvantage, on the COAG agenda.

They're all issues that have occupied our minds a great deal here in Western Australia.

But this emerging Human Capital agenda is quite new for COAG. In a nutshell, we want to position long-term, social outcomes as legitimate drivers of Government effort and service delivery reform in the community.

The States have proposed that an outcomes-driven approach to social planning, investment and performance should be rewarded in Commonwealth-State financing - just like competition policies are currently rewarded with increased grants to the States.

So we're arguing that results like:

- Increasing the proportion of young people making a smooth transition from school to work or further study or;
- Increasing the proportion of children that are equipped with the basic skills for life and learning and;
- Reducing the prevalence of key risk factors that contribute to chronic health diseases

are all achievable and should be rewarded – recognised as valuable national goals.

The States' collective argument is relatively simple – the better your social performance in areas like health and education, the greater participation, level of skills and productivity you're going to have in the workforce.

And that translates pretty readily to an increased revenue-take for the Commonwealth.

So let's make the benefits flow full circle.

It's the interplay between the economic and social at work again.

If we can get this human capital agenda accepted in July as the forward agenda of COAG, it will elevate social policy to the same level as competition policy – as a major reform initiative of Commonwealth-State relations.

That would be a huge step forward.

It goes beyond the cycle of a term of government.

Our community's social problems have usually had a gestation period of some decades. And they have been largely compounded by the long-term systemic disadvantage experienced by some families and individuals.

While there are 'quick-runs' to be gained from immediate funding of initiatives, real and substantial solutions require a 'longer innings at the crease'.

The recent debate over the indigenous community at Halls Creek has highlighted this again.

While there has been some immediate additional effort from the State Government to relieve social stress, the real success will come from sustained support and effort in areas that 'bricks and mortar' and extra workers alone cannot fix.

Supporting local leadership and building the self-worth and dignity of individuals and families is a harder - and better - road to hoe.

An outcomes approach will help keep us all true to this path.

I hesitate to start talking about integrated Government and integrated solutions at this point. On one level the idea of working together to address complex issues seems obvious but we all know that at another level, it seems to prove more difficult and take longer to achieve than many of us would like or – at times - can understand.

But I will say again that to achieve the sort of outcomes we all want and we know the community needs, requires a collaborative and connected approach to social services delivery. And I'm not referring just to Government agencies – I'm also talking about *across* the tiers of Government and the non-Government sector too.

We know that.

We just need to keep reminding ourselves and challenging ourselves to achieve it.

Let's look at Balgo for a moment – and what a coordinated response can do.

The Balgo community went through some tragic crises a few years ago ... sadly illuminated by the suicide of a number of young people.

They were a kind of last straw.

As part of the State Government's response to the Gordon Inquiry a number of coordinated, across-Government and community initiatives are helping this community turn itself around.

- A police and child protection presence has been established;
- Program activities for families and young people have started;
- The Commonwealth Government has invested in infrastructure and services; and
- Non-Government and church efforts (backed by Government resources) are strengthening local governance and promoting strong leadership.

The results aren't being achieved overnight. But there's a real sense of sustainable, substantial and very positive long-term outcomes for this community.

Government, non-Government, community, family, individual.... The philosophy of shared responsibility is being practised, not just preached – and – if we're successful - we will all reap the long-term benefits, especially that individual community that was literally self-destructing.

As a Government our evaluation approach will require agencies to ask the community if services have improved and to collect and monitor the level of family violence, the quality of health and other such statistical social measures in Balgo.

We'll collect the human stories too to help paint the picture of what outcomes have been achieved over time by this collaborative of effort.

If all the indications tell us we're doing something good – let's do more of it. If the results don't vindicate the collaborative approach, then we'll change tack and try something else.

In my recent discussions with Rae Walter and the WACOSS leadership, we looked at possible policy areas of collaboration to further this idea of an integrated approach.

Our discussions settled on the important issue of early childhood and the emerging COAG opportunities for collaboration across the tiers of Government and with community agencies.

The initial WA Early Years Strategy has taken its first steps towards bringing diverse professions together such as early educationalists, public health advocates, child welfare experts and academics to understand the challenges ahead and to seed local Early Years Programs.

Today, I want to be clear that there will be a renewed focus on the Early Childhood Agenda that will see it move beyond a largely ad-hoc approach – a clutch of programs and activities – to a *whole-of-government and community* systemic effort to achieve better outcomes for children in Western Australia.

Western Australia is very fortunate to have a number of very passionate and committed individuals working in this sector.

We need them. And we thank them.

But I want to make sure that our multi-layered and joined-up initiatives don't rely so heavily on passionate individuals at the local level – that the initiative falls apart or loses its sense of drive when a particular person moves on.

We need a more sustainable and systemic approach, beyond the effort of individuals, to give our children the best start to life.

The evidence is there. A greater investment in the early years of childhood means less health, education and child safety problems in our community later on.

But let me say it again – Government can't do it alone.

The Social Policy Unit will work with the non-government sector in this important area over the coming year and beyond.

This will be a long-term project, and while it draws on the links to the COAG agenda - it is important in its own right for this State.

I hope I'll be reporting back on the progress of that work in future years and possibly at future annual conferences.

The real test will be five to 10 years when we'll be looking for a big shift in the outcome measures that we have chosen for our children.

Conclusion

I've covered a fair bit of ground this morning and I thank you for the opportunity to get just a little of what I'm thinking and what we're doing on the table.

You're about to cover a lot more – and in a lot more depth – and I wish you a very productive and stimulating conference.

Before I finish, let me re-iterate that a commitment to social policy is an important part of this Labor Government's core vision and work.

It is what makes us different from all other political parties.

Social policy can always benefit from fresh ideas and creative approaches we're in a complex and changing community and we shouldn't and can't keep serving up the same responses.

Your conference plays an important role in debating and resolving options for changing our community's response to these and other fundamental matters.

And it gives me great pleasure today to open the 2006 WACOSS Conference.