



ACTCOSS ACT Budget Priorities 2025-26

Preliminary Statement, February 2025

actcoss@actcoss.org.au

02 6202 7200

actcoss.org.au

ABN 81 818 839 988



About ACTCOSS

ACTCOSS acknowledges the Ngunnawal people as traditional custodians of the land on which Canberra has been built and we recognise any other people or families with connection to the lands of the ACT and region. We pay our respects to their Elders, past and present. In the community sector, it is appropriate to celebrate the historic and ongoing contributions of Aboriginal and Torres Strait Islander people to the sector and society.

The ACT Council of Social Service Inc. (ACTCOSS) advocates for social justice in the ACT and is the peak body representing not-for-profit community organisations.

ACTCOSS is a member of the nationwide COSS Network, made up of each of the state and territory Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS's vision is for Canberra to be a just, safe and sustainable community in which everyone has the opportunity for self-determination and a fair share of resources and services.

ACTCOSS's strength comes from its members and the people they serve. Our members include frontline community services, peak bodies, advocacy organisations, community associations, consumer groups and individuals passionate about a fair, sustainable and inclusive ACT.

ACTCOSS advises that this document may be publicly distributed, including by placing a copy on our website.

Contact Details

Phone	02 6202 7200
Address	Weston Community Hub, 1/6 Gritten St, Weston ACT 2611
Email	actcoss@actcoss.org.au
Web	actcoss.org.au
CEO	Dr Devin Bowles

February 2025

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An ACT Government funded initiative.





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Acronyms

ACAT	ACT Civil and Administrative Tribunal
ACCO	Aboriginal Community-Controlled Organisation
ACTCOSS	ACT Council of Social Service Inc.
ADHD	Attention Deficit/Hyperactivity Disorder
AHURI	Australian Housing and Urban Research Institute
ASD	Autism Spectrum Disorder
ATSICPP	Aboriginal and Torres Strait Islander Child Placement Principle
ATSIEB	Aboriginal and Torres Strait Islander Elected Body
EPSDD	Environment Planning and Sustainable Development Directorate
FASD	Fetal Alcohol Spectrum Disorder
RoGS	Report on Government Services
SNAICC	Secretariat of National Aboriginal and Islander Child Care



Introduction

This submission to the 2025-26 ACT Budget comes at a critical moment. While Canberra enjoys the highest average weekly earnings in the country, that figure masks a growing divide. Too many Canberrans are struggling to afford the essentials of a healthy life. The cost of living has climbed relentlessly, wages have stagnated, and housing affordability has reached a crisis point. For those on low incomes, the situation is untenable. The public housing waitlist remains unmanageable, and an increasingly unaffordable rental market forces many to make impossible choices between food, healthcare, education, and utilities.

At the same time, community services, the backbone of support for people in crisis, are being stretched beyond capacity. Demand is rising, needs are becoming more complex, and funding has failed to keep pace. These services are no longer just supporting those on the lowest incomes; they are increasingly a lifeline for working families and individuals who find themselves on the edge of financial insecurity. Yet, with escalating costs and constrained resources, their ability to meet these challenges is at risk.

The 2025-26 ACT Budget must do more than maintain the status quo. It must take decisive action to strengthen social infrastructure, invest in community services, and tackle inequality at its core. This submission sets out ACTCOSS's four key budget priorities:

1. Strengthening direct government investment in **social housing and homelessness services**
2. Alleviating **cost of living** for low-income individuals and families
3. Valuing the **community sector**
4. Supporting **self-determination for Aboriginal and Torres Strait Islander peoples**.

We have also included recommendations to address key budget processes that improve transparency, enhance financial stability, and support long-term planning for the community sector.

This is a **preliminary submission**, laying the groundwork for a more detailed budget submission following community sector roundtables with Treasury in February. It reflects the insights and expertise of our members, who see firsthand the struggles Canberrans face, and the solutions that can drive meaningful change. With the right investments, reforms, and leadership, the ACT Government can build a more just, sustainable, and inclusive Canberra.



Summary of recommendations

Priority Recommendations

Housing and homelessness

Social and affordable housing

- Commit to annual, demand-driven investment in social housing, aligned with the [Supply and Confidence Agreement](#), that increases the proportion of all housing which is public and community housing, by the end of this term of government.
- Guarantee a multi-year, indexed baseline for public housing repairs, maintenance, and upgrades, aligned with the [commitment to increase insourcing](#), to address the existing backlog, improve energy efficiency, and ensure high quality, accessible housing for tenants.
- Undertake urgent priority maintenance issues and upgrades, including installing air conditioning, in the home of every public housing tenant with a disability.
- Enhance housing options and access for Aboriginal and Torres Strait Islander peoples through investment in local Aboriginal Community-Controlled Housing.
- Provide discounts/subsidies on government-released sites for community housing, or grants which enable increased community housing by a multiplicity of providers.
- Increase the share of social housing allocated under land release program target, with at least 15% to apply only to social and affordable housing for rent in perpetuity.

ACT housing strategy

- Fund independent evaluation of the [ACT Housing Strategy](#), to commence immediately and ensure baseline figures, targets, outcomes and housing stock levels by category are regularly reported.

Private rental market

- Strengthen supports and protections for renters through:
 - increased investment in community legal assistance
 - establishment of a rental commissioner to promote awareness of rights and responsibilities for tenants and landlords, monitor compliance with rental laws, and provide a streamlined and accessible method of dispute resolution.
- Introduce an incentives package to increase the supply of accessible private rental for people with disability.

Housing and homelessness services and support

- Invest in targeted tenancy support programs for people with mental health issues.
- Invest in permanent supportive housing for people with complex needs and experiencing chronic homelessness.
- Boost funding for holistic, culturally informed and community-led tenancy support for Aboriginal and Torres Strait Islander peoples who are renting or at risk of homelessness.



- Increase funding for intensive case management to intervene early and prevent homelessness, and to help people remain housed after exiting homelessness – backed by specialised teams for young people, victim/survivors of domestic and family violence, people with disability, people exiting prison, and older people.
- Increase the supply of crisis housing with a pathway to appropriate permanent housing.
- Expand the Justice Housing Program.
- Fund a disability housing advocate to help people navigate and access public, social and private housing.

Cost of living

Concessions and taxation

- Fund a comprehensive refresh of the *2012 ACT Targeted Assistance Strategy* in partnership with the community sector:
 - Undertake a broad review of the concession system as a whole to ensure consistency, adequacy, proper targeting, and ease of access across the system – ensuring concessions keep up with changes in the cost of living
 - In tandem with the review of the concession system, fund a comprehensive review of ACT's tax system to assess the fairness and equity of existing levies, fees and charges, including the vertical equity and distributional impacts of existing tax settings.
- Ensure people on the lowest incomes are eligible for the most concessions – including ensuring holders of the Low Income Health Care Card, Health Care Card, and ACT Services Access Card are eligible for all relevant concessions and rebates currently available to Pensioner Concession Card holders (e.g., the rates rebate).
- Trial free public transport for students and concession card holders and analyse the costs, benefits and distributional impact.
- Review eligibility for the ACT Electricity, Gas, and Water Rebate (formerly the Utilities Concession) and shift to a percentage-based model to better address needs.
- Adopt an income-based approach to ACT Government fines, fees, levies and other charges, and target any new taxes toward those who can pay.
- Extend concessions to low-income households just above current concession thresholds.
- Increase the value of payments available under the Future of Education Equity Fund to reflect changes in the cost of education over the decade since the former Secondary Bursary Scheme was introduced.

Cost of living supports

- Implement and fully fund all recommendations in the [*Inquiry into Cost of Living Pressures in the ACT*](#) report that are not already existing government policy.
- Further invest in food and emergency relief.
- Increase investment in community health centres and public dental services.
- Increase funding to financial counselling services to respond to increasing demand and complexity.



- Provide ongoing funding for the Rent Relief Fund.
- Increase funding for grant opportunities to cover bonds and rent for refugee and low-income migrant groups settling in the ACT.

Energy

- Adequately fund and review functioning of the ACT Energy Support Voucher Scheme.
- Review eligibility for the ACT Electricity, Gas, and Water Rebate and shift to a percentage-based model to better address needs.
- Increase funding to ancillary supports such as financial and energy counselling services.
- Establish a one stop shop with case management services to streamline the process of home energy upgrades and electrification for priority populations. Fund *quick fix* or *moderate* energy efficiency upgrades for low-income households.
- Extend eligibility for home energy grants and loans to landlords with multiple properties, on the condition that any rent increases for upgraded properties are capped.
- Fund and prioritise advocacy for vulnerable populations as the current energy system and the rules underpinning it rapidly evolve to support renewable energy transition.
- Accelerate roll out of energy upgrades for public housing.

Valuing the community sector

Sustainably fund the community sector

- Fund all recommendations from the Sector Sustainability Project and the [Counting the Costs Report](#).
- To supplement current indexation for inflation:
- develop a Population Level Adjustment or similar measure that reflects annual increases in community need as a minimum additional annual increase in funding for all community sector contracts, addressing rising need and client complexity - particularly among lower income quintiles
- implement a staged approach to closing the funding gap that has emerged since 2010 due to population growth unmatched by additional funding
 - Increase sector funding to cover all costs including workforce and service delivery costs and monitoring and evaluation, particularly outcomes reporting.
- Ensure adequate investment to community sector premises are fit for purpose, accessible, located across the Territory and scaled for all future Territory plans and building.
- Establish a \$4 million annual Community Sector Adaptation Fund for individual community organisations to execute their climate adaptation plans.
- Provide funding to enable the community sector to genuinely co-design and participate in commissioning cycles across all directorates.

Aboriginal and Torres Strait Islander self-determination

Strong and sustainable community controlled sector

- Ensure funding for ACCOs is long-term (at least 5 years) and focused on service-delivery in addition to 'start-up' costs.



- Work with the ACCOs and mainstream community sector to articulate targets for the expansion of ACCO service delivery.
- Provide additional funding to assess desire in Community for the establishment of an ACCO peak.
- Make further investment in sustained capacity building and development of the Aboriginal and Torres Strait Islander workforce.
- Ensure adequate resourcing for the implementation of the [ACT Aboriginal and Torres Strait Islander Agreement 2019-2028](#).

Aboriginal community controlled investments

- Enhance housing options and access for Aboriginal and Torres Strait Islander peoples through investment in Aboriginal Community-Controlled Housing.
- Return Boomanulla Oval to Community control.
- Transfer the Ngunnawal Bush Healing Farm to community control.

Implement and resource recommendations

- Fully implement and resource all recommendations from the [Our Booris, Our Way](#) report, in partnership with Aboriginal and Torres Strait Islander people and ACCOs.
- Set aside funds to act on the findings of the [Independent Review into the Overrepresentation of Aboriginal and/or Torres Strait Islander people in the ACT Justice System](#).

Budget Processes

Underscore unmet needs

- Establish a clear mechanism — aligned with the Needs Assessment and Strategic Investment Plan — that identifies and communicates unmet or underfunded areas following the procurement phase in each commissioning cycle.

Budget timing

- To ensure organisations have adequate participation in future funding processes, we propose two key changes to the Budget process:
 - Release the Budget in May rather than late June.
 - Schedule community sector roundtables at least eight months prior to budget release to provide meaningful opportunities for stakeholder engagement and input.

Budget line items

- Introduce a dedicated budget line item for all community sector funding, reported within each relevant Directorate and their corresponding budget statements. In the Budget Outlook, aggregate these line items to present a clear picture of total ACT Government investment in the community sector.
- Similarly, a dedicated budget line item for all ACCO funding, reported within each relevant Directorate and their corresponding budget statements. In the Budget Outlook, aggregate these line items to present a clear picture of total ACT Government investment in ACCOs.



Budget priorities

Housing and homelessness

Wellbeing domain 7: Housing and Home

Having a stable, secure, and appropriate home is fundamental to individual wellbeing — supporting good health, safety, workforce participation, and community engagement. Yet, for a growing number of Canberrans, this basic human right is out of reach. Canberra's housing market has never been less affordable, forcing many into rental stress and pushing frontline services to crisis point.

Cost of living pressures are highest in housing, as highlighted by ACTCOSS' [2024 Cost of Living Report](#).¹ The fifteenth edition of Anglicare's [Rental Affordability Snapshot](#) showed zero affordable rental properties for a young person on Youth Allowance in the ACT.² Even essential workers — aged care workers, early childhood educators, and nurses — can spend up to 70–78% of their income on rent.³ This situation risks driving key workers away and leaves vulnerable people at increased risk of homelessness.

Recent analysis confirms that none of the low-income household types examined spend less than 30% of their income on rent, meaning they all experience rental stress. In fact, a single person on JobSeeker faces rent costs equating to 111% of their income. With some of the highest average incomes in the nation, ACT rents are driven up even further.⁴

The ACT Government aims to deliver 5,000 additional public, community, and affordable rental dwellings by 2030. It aims to have the proportion of all housing which is social housing increase. These are important commitments – the first in many years which move toward matching the severity of the crisis. Government investment must enable them. Investment should be concentrated in social (public and community) housing to ensure that it increases as a proportion of all housing this term of government. Given the time taken to build or procure housing, investment should begin in earnest this financial year to enable the government to meet its commitments.

¹ ACTCOSS, [Cost of Living Report: The cost of living for low-income households in the ACT](#), ACTCOSS, 2024.

² Anglicare Australia, [Rental affordability snapshot](#), Regional reports, 15th edition, pg 3, 2024.

³ Everybody's Home, [Priced Out](#), Everybody's Home, April 2023.

⁴ Aziz, M., [Priced Out: An Index of Affordable Rentals for People on the Lowest Incomes](#). Second Edition. Everybody's Home: Melbourne, September 2024



Social and affordable housing

Recommendations

- Commit to annual, demand-driven investment in social housing, aligned with the [Supply and Confidence Agreement](#), that increases the proportion of all housing which is public and community housing, by the end of this term of government.
- Guarantee a multi-year, indexed baseline for public housing repairs, maintenance, and upgrades, aligned with the [commitment to increase insourcing](#), to address the existing backlog, improve energy efficiency, and ensure high quality, accessible housing for tenants.
- Undertake urgent priority maintenance issues and upgrades, including installing air conditioning, in the home of every public housing tenant with a disability.
- Enhance housing options and access for Aboriginal and Torres Strait Islander peoples through investment in local Aboriginal Community-Controlled Housing.
- Provide discounts/subsidies on government-released sites for community housing, or grants which enable increased community housing by a multiplicity of providers.
- Increase the share of social housing allocated under land release program target, with at least 15% to apply only to social and affordable housing for rent in perpetuity.

A substantial expansion of social housing is the only way to address the ACT's escalating housing crisis. The private rental market continues to spiral beyond reach for low-income earners, forcing more than 3,000 people onto waitlists for public housing, with some waiting over five years on the standard housing list. Despite the Government's commitment to building 400 new public homes by 2027⁵, plus another 1,000 by 2030⁶, these additions will do little to bring down wait times in the ACT.

According to the latest Report on Government Services (RoGS), 100% of new public housing allocations over the past five years have gone exclusively to households in greatest need⁷ ⁸ — evidence that the system is already at full capacity, with no room to accommodate lower-priority applicants. ACTCOSS analysis further indicates that under current policy settings, the *per capita* supply of public housing as at June 2024 — 24 homes per 1,000 people — will remain unchanged in 2027 and 2030⁹. To truly

⁵ ACT Government, [Budget 2024-25: Housing Budget Statement](#), ACT Government, June 2024

⁶ ACT Labor, [More Homes to Build, Buy and Rent](#), ACT Labor, 2024

⁷ Greatest need households are defined by the Productivity Commission as households that at the time of allocation are homeless, in housing inappropriate to their needs, in housing that is adversely affecting their health or placing their life and safety at risk, or, have very high rental housing costs.

⁸ Productivity Commission, [Report on Government Services 2025: Part G Housing and Homelessness, Section 18 Housing](#), Australian Government, 30 January 2025

⁹ The calculation for dwellings per 1000 people follows: $\frac{\text{Projected number of public homes for that year}}{\text{Projected population for that year}} \times 1000$

ACT population projections are taken from:

ACT Treasury, [Latest ACT Population Projections](#), Table 1. November 2022

Public housing stock figures come from:

ACT Government, [Budget 2024-25: Housing Budget Statement](#), ACT Government, June 2024

ACT Labor, [More Homes to Build, Buy and Rent](#), ACT Labor, 2024



improve unacceptable wait times and keep pace with need, more ambitious investment is required; without it, the ACT Government risks falling short of its Supply and Confidence Agreement commitment to increase the proportion of all housing which is public housing and community housing.

Maintaining current policy settings means current overwhelm and pressure on homelessness services, family violence supports, and health and justice systems will persist.

Generational underinvestment has also led to a significant maintenance backlog, with properties in disrepair or poorly adapted to tenants' needs, including people with disability who require urgent upgrades such as air conditioning. A multi-year, indexed baseline for repairs, maintenance, and energy efficiency upgrades, alongside the Government's insourcing commitment, is crucial to protect existing stock and better support tenants.

At the same time, community housing providers offer a valuable alternative for low-income households, yet they face barriers in accessing land and capital. Providing discounts or subsidies on government-released sites (or equivalent grants) would strengthen this sector. We also urge the Government to invest in Aboriginal Community-Controlled Housing, providing culturally safe, long-term housing solutions for First Nations peoples on low-income.

Finally, the ACT's land release program must reserve at least 15% of new sites specifically for social and affordable rentals in perpetuity, rather than relying on discounted home purchases alone. Currently, much of the "social and affordable housing" target of the program is met by one-off discounted home sales, which are beneficial for a small number of buyers. However, this measure does not expand long-term supply of affordable rental options.

Additionally, under current policy settings, after 15 years the affordable properties will revert to market rents, exposing the ACT to a housing affordability cliff. With no evidence that demand for affordable housing will decline, this policy is building a time-bomb into the ACT's budget process which set to begin to detonate in 15 years. By dedicating a share of each new land release to *permanent* affordable rentals, the ACT can meaningfully increase the supply of housing that remains accessible to those on the lowest incomes, helping to alleviate waitlists and reduce the risk of homelessness.

ACT housing strategy

Recommendation

- Fund independent evaluation of the *ACT Housing Strategy*, to commence immediately and ensure baseline figures, targets, outcomes and housing stock levels by category are regularly reported.

The [ACT Housing Strategy](#), first announced in 2018, promised to create an equitable, diverse and sustainable supply of housing, reduce homelessness, strengthen social housing assistance, and expand affordable rental options and



home ownership. While these goals are commendable, there is limited transparency about how much progress has been made. An independent evaluation, underpinned by accessible, high-quality housing data, would clarify implementation outcomes, highlight any gaps, and ensure the strategy remains on track to deliver genuine benefits for the ACT community.

Private rental market

Recommendations

- Strengthen supports and protections for renters through:
 - increased investment in community legal assistance
 - establishment of a rental commissioner to promote awareness of rights and responsibilities for tenants and landlords, monitor compliance with rental laws, and provide a streamlined and accessible method of dispute resolution.
- Introduce an incentives package to increase the supply of accessible private rental for people with disability.

Market rents in the ACT remain among the highest in Australia, leaving many tenants struggling to compete for limited properties. Although advances have been made in rental rights, more robust protections are needed to ensure everyone can access safe, secure, and sustainable housing. Current arrangements place a disproportionate burden on tenants to know and enforce their rights, often deterring them from taking action due to fear of reprisal, stress, or limited awareness of the law.

Targeted increases in community legal assistance funding would help tenants better understand and assert their rights. A rental commissioner, with investigative, compliance, and public education functions, would provide a central authority to monitor rental practices, address disputes more efficiently, and reduce the backlog at the ACT Civil and Administrative Tribunal (ACAT).

Alongside these measures, it is crucial to expand accessible private rental options for people with disability by offering incentives (e.g., subsidies or grants) to landlords who make accessibility upgrades or build new accessible properties.



Housing and homelessness services and supports

Recommendations

- Invest in targeted tenancy support programs for people with mental health issues.
- Invest in permanent supportive housing for people with complex needs and experiencing chronic homelessness.
- Boost funding for holistic, culturally informed and community-led tenancy support for Aboriginal and Torres Strait Islander peoples who are renting or at risk of homelessness.
- Increase funding for intensive case management to intervene early and prevent homelessness, and to help people remain housed after exiting homelessness – backed by specialised teams for young people, victim/survivors of domestic and family violence, people with disability, people exiting prison, and older people.
- Increase the supply of crisis housing with a pathway to appropriate permanent housing.
- Expand the Justice Housing Program.
- Fund a disability housing advocate to help people navigate and access public, social and private housing.

The ACT's growing housing crisis is overwhelming homelessness services, which are forced to focus on crisis responses rather than early intervention. This approach leaves many individuals stuck in emergency accommodation or forced to cycle in and out of homelessness. The longer someone remains homeless, the more complex and costly their support needs become, underscoring the value of preventative and sustained housing assistance. These are good investments in both moral and purely financial terms.

To shift toward prevention and early intervention, services need adequate, ongoing funding to help people stay in their homes. Community-led, culturally informed programs are critical for Aboriginal and Torres Strait Islander peoples, while permanent supportive housing can stabilise those with complex needs who are experiencing chronic homelessness. At the same time, crisis accommodation must be available and short term, with a generational investment to increase the proportion of social housing being crucial to provide a clear pathway to permanent housing.

To reduce the shortage of bail accommodation and prevent homelessness for people exiting prison, the Justice Housing Program needs further investment. Emphasis is required on meeting the needs of groups with complex needs, and to include one- and two-bedroom dwellings to accommodate those who might have children visiting or who aren't suited to shared accommodation.¹⁰

¹⁰ H Taylor, L Bartels, P Rehill, G Wong, & E Liu, [Process evaluation of the Justice Housing Program](#), Australian National University, 2023.



A disability housing advocate would help people with disability navigate public, social, and private housing, reducing barriers to finding and maintaining a suitable home.



Cost of living

Wellbeing domain 9: Living standards

Wellbeing domain 2: Economy

Every Canberran should have access to affordable housing, reliable public transport, and essential goods and services, without being overwhelmed by financial stress. Yet with the costs of living rising faster than wages, a growing number of households are stretched to breaking point. These pressures fall heaviest on those with the lowest incomes, who spend disproportionately more of their budgets on life's essentials.

The [ACTCOSS 2024 ACT Cost of Living Report](#) revealed that many core expenses — education, housing, medical services, transport, childcare, food, and gas — have risen well above the rate of inflation over the past five years.¹¹ Although the ACT's average income is high, it masks significant poverty and inequality; 8.6% of Canberrans (around 38,000 people) live below the poverty line,¹² including 9.6% of all children. In some suburbs, one in five children are growing up in poverty.¹³ For low-income households, these mounting costs lead to impossible choices, like turning off the heating or risking eviction by missing rent.¹⁴

Demand for supports and services in the community sector has increased sharply, yet many of these services are already overstretched and underfunded. To address this crisis, ACTCOSS calls on the ACT Government to invest in a targeted, comprehensive suite of cost of living supports that help people now — whether they are facing a short-term crisis or ongoing hardship — and build the long-term financial resilience of low-income households. We also urge fair and equitable economic policies and systems to tackle the structural drivers of poverty and inequality, ensuring that all Canberrans can meet their basic needs and thrive.

Concessions and taxation

Recommendations

- Fund a comprehensive refresh of the 2012 ACT Targeted Assistance Strategy in partnership with the community sector

¹¹ ACTCOSS, [2024 Cost of Living Report: The cost of living for low-income households in the ACT](#), ACTCOSS, August 2024.

¹² ACOSS & UNSW, [Rate of poverty by location in 2019-20, and change in poverty; Number of people in poverty by location in 2019-20, and change in poverty](#), Research and insights into poverty and inequality in Australia website, accessed 2 June 2024.

¹³ R Miranti, B Freyens, Y Vidyattama, R Tanton & GR Shakir, [Child social exclusion index – Nurturing inclusion: paving the way to improved child wellbeing](#), Report commissioned by UnitingCare Australia. The Canberra School of Politics, Economics and Society (SchoPES), Faculty of Business, Government and Law (BGL), University of Canberra, 2024.

¹⁴ D Wood, I Chan & B Coates, [Inflation and inequality: how high inflation is affecting different Australian households](#), Working paper prepared for the RBA Annual Conference, Sydney, 25-26 September 2023, Grattan Institute, 2023; T Leslie, S Elvery, B Spraggon & C Tilley, [Australia's housing divide masks real interest rates pain](#), ABC News website, accessed 9 June 2024.



- Undertake a broad review of the concession system as a whole to ensure consistency, adequacy, proper targeting, and ease of access across the system – ensuring concessions keep up with changes in the cost of living
- In tandem with the review of the concession system, fund a comprehensive review of ACT's tax system to assess the fairness and equity of existing levies, fees and charges, including the vertical equity and distributional impacts of existing tax settings.
- Ensure people on the lowest incomes are eligible for the most concessions – including ensuring holders of the Low Income Health Care Card, Health Care Card, and ACT Services Access Card are eligible for all relevant concessions and rebates currently available to Pensioner Concession Card holders (e.g., the rates rebate).
- Trial free public transport for students and concession card holders and analyse the costs, benefits and distributional impact.
- Review eligibility for the ACT Electricity, Gas, and Water Rebate (formerly the Utilities Concession) and shift to a percentage-based model to better address needs.
- Adopt an income-based approach to ACT Government fines, fees, levies and other charges, and target any new taxes toward those who can pay.
- Extend concessions to low-income households just above current concession thresholds.
- Increase the value of payments available under the Future of Education Equity Fund to reflect changes in the cost of education over the decade since the former Secondary Bursary Scheme was introduced.

The ACT's concessions and taxation systems are long overdue for a thorough, evidence-based review to ensure they work in tandem to build equity and reduce financial hardship. Concessions should be adequate, fair, and simple to access, yet many of the ACT's concessions, like the Electricity, Gas and Water Rebate and the Future of Education Equity Fund, are effectively frozen, failing to keep up with rising costs. The Electricity, Gas and Water Rebate (formerly the Utilities Concession) has remained at the same amount (\$800) since 2021-22, despite significant (often above-inflation) increases in energy and water bills. Similarly, the Future of Education Equity Fund for secondary students is the same amount (\$750) as the former Secondary Bursary Scheme was in 2013, despite a 72% increase in secondary education costs since 2013.¹⁵

Moreover, eligibility for most concessions depends on a person having a Commonwealth Concession or Healthcare Card, which excludes many people on low incomes who struggle to afford life's essentials. Meanwhile, not every Canberra eligible for a concession or rebate is aware of it or accesses it. Many miss out altogether due to application barriers (i.e. language barriers, low technology literacy), while others miss out due to uncooperative third-party gatekeepers, such as energy providers. A comprehensive refresh of the Targeted Assistance Strategy (last updated in 2012) would be the first step in reorienting concessions so that support is adequate, targeted, and accessible for those who need it most.¹⁶

¹⁵ Australian Bureau of Statistics (ABS), 'Table 9 CPI: Group, Sub-group and Expenditure Class, Index Numbers by Capital City', [Consumer Price Index, Australia, September Quarter 2024](#), ABS, 2024.

¹⁶ ACT Government, [2012 ACT Targeted Assistance Strategy](#), 2012.



Beyond concessions, the ACT's taxation system also shapes equity outcomes and the Territory's capacity to fund vital services. The sole major review of ACT taxation was conducted over a decade ago,¹⁷ leaving many tax settings regressive or out of step with contemporary realities, such as the growing reliance on flat fees and levies, which place a disproportionate burden on low-income earners. The ACT has the most expensive vehicle registration and licensing costs in the nation, while the structure of some tiered taxes could be strengthened to better meet equity, environmental and revenue sustainability objectives.¹⁸ A comprehensive tax review should explore fairer approaches, including an income-based model for fines, fees, and charges, and more progressive levies that better reflect ability to pay. By modernising both concessions and taxation, the ACT can establish a sustainable revenue base without further entrenching inequality, ultimately delivering a fairer, more inclusive Canberra for everyone.^{19 20}

Cost of living support

Recommendations

- Implement and fully fund all recommendations in the [Inquiry into Cost of Living Pressures in the ACT](#) report that are not already existing government policy.
- Further invest in food and emergency relief.
- Increase investment in community health centres and public dental services.
- Increase funding to financial counselling services to respond to increasing demand and complexity.
- Provide ongoing funding for the Rent Relief Fund.
- Increase funding for grant opportunities to cover bonds and rent for refugee and low-income migrant groups settling in the ACT.

Implementing and fully funding all outstanding recommendations from the ACT Legislative Assembly's *Inquiry into Cost of Living Pressures* will address urgent service gaps and help those struggling most. For instance, increased investment in food and emergency relief programs prevents families from having to choose between buying groceries and paying rent. Strengthening community health centres and public dental services ensures basic healthcare remains affordable for low-income households, particularly as medical costs continue to rise.

Meanwhile, additional resourcing for financial counselling services is critical given the growing number and complexity of cases — many households are juggling multiple expenses in arrears, not just one-off bills. The rent relief fund has acted as a vital safety net for low-income households to maintain stable tenancies and should continue to be funded while the Territory rides the waves of the cost of living crisis.

¹⁷ ACT Government, [ACT Taxation Review 2012](#), 2012.

¹⁸ SGS Economics and Planning, [Transport Affordability Index, June Quarter 2024](#), Australian Automobile Association, 2024.

¹⁹ P Tilley, [State and territory tax reform](#), Tax and Transfer Policy Institute Working Paper, Australian National University, 2022.

²⁰ State of NSW (NSW Treasury), [Interstate comparison of taxes 2023-24: Research paper](#), 2024.



Likewise, targeted grants for refugees and low-income migrants help secure stable housing sooner and prevent homelessness.

Energy

Recommendations

- Adequately fund and review functioning of the ACT Energy Support Voucher Scheme.
- Review eligibility for the ACT Electricity, Gas, and Water Rebate and shift to a percentage-based model to better address needs.
- Increase funding to ancillary supports such as financial and energy counselling services.
- Establish a one stop shop with case management services to streamline the process of home energy upgrades and electrification for priority populations. Fund *quick fix* or *moderate* energy efficiency upgrades for low-income households.²¹
- Extend eligibility for home energy grants and loans to landlords with multiple properties, on the condition that any rent increases for upgraded properties are capped.
- Fund and prioritise advocacy for vulnerable populations as the current energy system and the rules underpinning it rapidly evolve to support renewable energy transition.
- Accelerate roll out of energy upgrades for public housing.

Low-income households in the ACT shoulder a disproportionately high burden when it comes to energy costs. They are more likely to live in poorly insulated homes that require extra heating or cooling, yet they often lack the means to invest in efficiency upgrades or electrification. While the ACT has tripled the value of individual energy support vouchers, funding for the program has not increased proportionally,²² resulting in rationing by energy retailers and leaving many in need of support without assistance.

Fixed rebates and concessions, like the ACT's Electricity, Gas and Water Rebate, have also proven inadequate. Because they do not respond to changes in energy prices, seasonality, or housing conditions,²³ some recipients receive more

²¹ A quick fix rollout would consist of energy efficiency upgrades (insulation – ceiling draught proofing, curtains, window shades, and thermal appliances such as an electric heat pump) and electrification (efficient electric hot water, heaters and cooktops). A moderate upgrade with solar which would consist of electrification (heat pump, efficient hot water, and cooktops) solar, and energy efficiency upgrades (floor ceiling insulation, draught proofing, window, window coverings).

At the national level an accelerated quick fix rollout will cost \$13,581 per household, save \$1,650 per year per household, support an average of 7160 jobs per year over this period, and generate an additional \$10 billion in GDP when compared to a business-as-usual scenario. A moderate upgrade would cost \$24,300 per household, generate an additional \$17 billion in GDP over the rollout period and generate an average of 12,700 additional full-time jobs during the rollout period. Lower income households can expect to save \$3350 on average per year.

²² Legislative Assembly for the Australian Capital Territory (Senate Select Committee on Estimates 2024-2025), *Answer to Question Taken on Notice During Public Hearings* (Question No. 40, 28 July 2024) < https://www.parliament.act.gov.au/_data/assets/pdf_file/0010/2539009/QTON-040-Answer-EPsDD-Utility-hardship-fund-eligibility-and-criteria-LEE.pdf>.

²³ Australian Council of Social Service and South Australian Council of Social Service, *Reforming electricity concessions to better meet need: Summary Report*, 2022.



assistance than they need while others receive far too little. In contrast, percentage-based concessions — as seen in Victoria — offers a fairer, more adaptable approach that aligns support with actual energy usage and price fluctuations.²⁴

Without deeper reforms and additional funding, the number of ACT households in energy debt is likely to continue rising, with lower-income families most at risk.

²⁴ Australian Council of Social Service, *The Economic and Social Benefits of Energy Upgrades for Low-Income Households* (Report, July 2024) <<https://www.acoss.org.au/wp-content/uploads/2024/07/ACOSS-Deloitte-low-income-energy-upgrades-Final-July-2024.pdf>>.



Valuing the community sector

Wellbeing domain 1: Access & Connectivity (service accessibility, liveable city)

Wellbeing domain 2: Economy (employment, income inequality)

Wellbeing domain 8: Identity and belonging (valuing Aboriginal and Torres Strait Islander cultures and recognising our Traditional Custodians)

Wellbeing domain 12: Time (unpaid work, including caring)

Canberra was recently ranked the world's second-best city for quality of life. We are fortunate to live in a community that values wellbeing and strives for equity. Despite this, community services, which support nearly all Canberrans — often at their most vulnerable — are at breaking point. Demand has soared due to population growth, increasing client complexity and a cost of living crisis, yet funding has failed to keep pace. As a result, community service organisations are being stretched far beyond capacity, struggling to meet escalating needs with resources that are increasingly inadequate.

The community sector provides frontline support for diverse needs: families and young people, older people, those living with mental ill health or experiencing domestic violence, disability, or alcohol and other drug issues. This work enhances wellbeing and connection for the entire community. However, inadequate indexation and a lack of capital investment have left services without reserves for emergencies, grappling with outdated resources, and, in some cases, unsafe facilities. Staff report exhaustion, burnout, and difficulties in recruitment and retention, undermining the sector's capacity.²⁵

Although the Government acknowledges underfunding, most services have yet to see new investment. As a result, the system risks market failure, leaving vulnerable Canberrans without essential supports. Increased investment in non-government community services is urgently needed to secure a sustainable sector that can continue to underpin Canberra's high quality of life.

In addition to increasing demand and the complexity of needs, inadequate indexation (particularly in the context of inflationary pressures) has placed enormous strain on services and frontline staff. Exhaustion, burnout, and low morale are having a devastating effect on the workforce, and services are universally reporting difficulties attracting and retaining staff - ACT Community Sector Worker, 2022

²⁵ ACTCOSS, [Factsheet: ACT Community Sector Snapshot](#) (1 April 2023), ACTCOSS, 2023.



Sustainably fund the community sector

Recommendation

- Fund all recommendations from the Sector Sustainability Project and the [Counting the Costs Report](#).

Chronic under-investment and rising demand for services impacts on Canberrans' ability to access timely, quality services to meet their needs. The Government has publicly acknowledged that it is underfunding community organisations and is committed to working to build and support a more sustainable community sector.²⁶ Despite this acknowledgment, most community services have yet to see any real-term funding increases. Significant program costs including are mostly unfunded, including monitoring and evaluation, and oncosts for staff including workforce development and training, supervision, and volunteer management. To ensure sustainability of the community sector, significant systemic investment is needed to build and maintain a skilled, fairly paid workforce, including the management of volunteers.

Population level adjustment and funding to ameliorate past underinvestment

Recommendations

- To supplement current indexation for inflation:
- develop a Population Level Adjustment or similar measure that reflects annual increases in community need as a minimum additional annual increase in funding for all community sector contracts, addressing rising need, particularly among lower income quintiles
- implement a staged approach to closing the funding gap that has emerged since 2010 due to population growth and increasing client complexity unmatched by additional funding
 - Increase sector funding to cover all costs including workforce and service delivery costs and monitoring and evaluation, particularly outcomes reporting.

Over the past decade, Canberra's population has grown by nearly 30%, yet investment in the community sector has not kept pace. There is no systemic mechanism to account for increasing need for community sector delivered services. Over the last decade, this has resulted in a significant shortfall. Community organisations have been forced to deliver more services to more people, without a commensurate increase in resources. Compounding this demand surge is the fact that client complexity has risen significantly. People seeking help often present with multiple challenges (e.g., housing stress, mental health issues, and financial hardship), requiring more staff time, specialised training, and inter-agency coordination.

²⁶ ACT Government. [ACT Government Response to the Counting the Costs: Sustainable funding for the ACT community services sector](#). Report. ACT Government. February 2023



Recent [ACT Labor election commitments](#)²⁷ are most welcome and demonstrate a recognition of urgent social issues. Similarly, ACT Labor's [Supply and Confidence Agreement](#) with Thomas Emerson MLA, explicitly commits to reviewing community sector funding before the 2025-26 Budget, accounting for population growth, sector salaries, and client complexity.²⁸ To demonstrate genuine commitment, the Government must use this budget to address the underlying structural shortfalls across the sector.

Without sufficient investment to match both population growth and increasing complexity, community organisations are overstretched, undermining the very safety net they provide. By instituting a dedicated Population Level Adjustment or similar measure and progressively closing the funding gap, the ACT Government can ensure providers have the capacity to respond effectively to the evolving and intensifying needs of Canberrans.

Inject funding for community sector accommodation

Recommendation

- Ensure adequate investment to community sector premises are fit for purpose, accessible, located across the Territory and scaled for all future Territory plans and building.

The community has a right to access services and supports in locations that are safe, accessible, fit for purpose, welcoming and environmentally sustainable. Most community services provided through non-government organisations are delivered through buildings that are no longer appropriate. This is due to a lack of funds to pay commercial rents and being offered space in government-owned old schools or buildings no longer needed or fit for use by others. Many organisations have limited or no disability access and do not have appropriate spaces to deliver programs or provide adequate workspaces for staff. Many are working in buildings that are not easily accessed through public transport or without adequate heating, cooling or air flow. Canberrans in need are missing out on quality care because of a lack of suitable community sector premises.

Community sector climate adaptation

Recommendation

- Establish a \$4 million annual Community Sector Adaptation Fund for individual community organisations to execute their climate adaptation plans.

People experiencing poverty and disadvantage will bear the brunt of climate change, but no one is immune to its effects. Community organisations play an essential role in assisting the community to respond to disasters, including those that are climate

²⁷ Some of the election commitments relevant to community sector organisations include the 3 year [baby bundle package](#), [extended hours of care at public preschools](#), the 3 year [homelessness fund](#), the 3 year [funding boost for food banks](#), and 4 more years of funding for the [Stepping Stones program](#).

²⁸ ACT Legislative Assembly, [Supply and Confidence Agreement](#), 11th Legislative Assembly, Australian Capital Territory, 6 November 2024.



related. Many also provide critical services that cannot afford to be disrupted by such disasters or by other impacts caused by a changing climate. The ACT should ensure community sector organisations are prepared for a future that includes severe climate risks and are funded to respond appropriately.

Genuine co-design and participation in commissioning

Recommendation

- Provide funding to enable the community sector to genuinely co-design and participate in commissioning cycles across all directorates.

At the same time the sector has experienced increased demand, rising operational costs and capped funding, it has also been expected to participate in the largest government reform of the sector in a generation through commissioning.²⁹ The commissioning process has been resource intensive and created significant stress and uncertainty for the sector. Most non-government partners are not funded to participate in these processes. Additional funding to resource community sector engagement in the commissioning process is needed to ensure commissioning is successful, inclusive and effective. This would enable smaller organisations and sub-sectors without a peak body to participate in the early stages of commissioning cycles, including *Strategise and Design*.

²⁹ ACT Government Commissioning (website), <https://www.communityservices.act.gov.au/commissioning>.



Aboriginal and Torres Strait Islander self-determination

For Aboriginal and/or Torres Strait Islander people, these issues cut across all wellbeing domains, but especially Domain 8: Identity and Belonging.

Community leaders and activists have, for generations, fought for a transformative shift in how government services, programs, and policies are delivered to Aboriginal and Torres Strait Islander peoples. We now have an opportunity to achieve the urgent, systemic change for which that community has fought so tirelessly.

Strong and sustainable Aboriginal community-controlled sector

Recommendations

- Ensure funding for ACCOs is long-term (at least 5 years) and focused on service-delivery in addition to 'start-up' costs.
- Work with the ACCOs and mainstream community sector to articulate targets for the expansion of ACCO service delivery.
- Provide additional funding to assess desire in community for the establishment of an ACCO peak.
- Make further investment in sustained capacity building and development of the Aboriginal and Torres Strait Islander workforce.
- Ensure adequate resourcing for the implementation of the [ACT Aboriginal and Torres Strait Islander Agreement 2019-2028](#).

ACCOs are the keystone to Aboriginal and Torres Strait Islander self-determination. Their reliance on the traditional governance of community accountability helps ensure culturally appropriate services. Government and the mainstream community sector both agree with the principle that Aboriginal and Torres Strait Islander people should be able to obtain services from ACCOs if they wish. However, current funding levels do not reflect this commitment, leaving ACCOs under-resourced to meet both present and future demand.

Canberra has a small number of well-established ACCOs which have received government funding over years or decades. Recent signals and funding sent by the ACT Government have contributed to many others being established. However, many of the newer ACCOs have not received long-term funding for service delivery and have uncertain futures.

This has led to deep frustration among many emerging ACCOs whose expectations for funding have not been met. Some of the community's most skilled leaders are struggling to establish a secure funding base for their organisations, limiting their ability to contribute to service delivery and policy development for their community. The current system locks up a great deal of talent in the community without enabling commensurate service delivery, and creates undue competition between ACCOs



and between the ACCO and mainstream sector. ACT Government should ensure that its mechanism of increasing funding for ACCOs helps strengthen relationships rather than creating excessive competition for scarce resources.

Many people in government and mainstream community sector organisations understand the moral imperative to increase services and funding to ACCOs. However, the government's agenda lacks enough specificity to enable action. The ACT Government needs to work with ACCOs and the mainstream community sector to set a clear timeline and action plan increasing services delivered by the ACCO sector. Essential to this transition is greater investment in workforce development, training and leadership pathways for the Aboriginal and Torres Strait Islander workforce. Without sustained investment in workforce development, the transition of services to ACCOs will be undermined by staff shortages and capacity constraints. Dedicated investment is essential to support the expansion of ACCOs during this period of transition.

The ACT was the only jurisdiction to vote Yes to an Aboriginal and Torres Strait Islander Voice to the federal parliament in the 2023 referendum. The needs and perspectives of Aboriginal and Torres Strait Islander people and ACCOs should be systematically incorporated into law reform, policy development and decision making in the ACT. One of the core areas of the *ACT Aboriginal and Torres Strait Islander Agreement 2019-2028* is 'Community Leadership...Aboriginal and Torres Strait Islander peoples have a strong voice, are decision makers on issues that impact them and lead in the achievement of positive life outcomes'. To reflect this position in the Territory, the ACT Government must adequately resource and implement the agreement.

Achieving such reforms will require a high degree of coordination between ACCOs and clear advice and advocacy to government. ACTCOSS welcomed money allocated in the 2024-25 budget to scoping a peak body for ACCOs and urge the government to commit to funding its establishment if community determines it to be necessary and beneficial.

Aboriginal community-controlled investment

Recommendations

- Enhance housing options and access for Aboriginal and Torres Strait Islander peoples through investment in Aboriginal Community-Controlled Housing.
- Return Boomanulla Oval to community control.
- Transfer the Ngunnawal Bush Healing Farm to community control.

Aboriginal and Torres Strait Islander peoples face systemic disadvantages and discrimination in housing, and they are vastly overrepresented among people experiencing homelessness in the ACT.

The importance of appropriate housing to improving the health and wellbeing of Aboriginal and Torres Strait Islander peoples is well established and accepted by government and civil society and acknowledged in the inclusion of a housing target in the *National Agreement on Closing the Gap*. However, this acknowledgement is



not reflected in current ACT housing policy. There is no dedicated strategy or plan in the ACT that has been developed in partnership with local Aboriginal and Torres Strait Islander peoples. Nor is sufficient community-controlled community housing currently provided in the ACT. A new report by the independent Australian Housing and Urban Research Institute (AHURI)³⁰ estimates what will happen to volume of Indigenous housing need over the next 20 years. AHURI estimates that new need - arising from future growth in households in the ACT, is a staggering 71%. This is well above the national estimate of 37%.³¹ It is vital that the ACT Government prioritise investment in community-led approaches and community-controlled services to address this significant future increase in housing needs for Aboriginal and Torres Strait Islander peoples.

Boomanulla Oval in Narrabundah has been a cultural and sporting centre for Canberra's Aboriginal and Torres Strait Islander community for 40 years. Since 2015, the Oval has been controlled by the ACT Government, despite repeated commitments to return it to the community. The ACT Labor Party made this promise ahead of both the 2016 and 2020 elections, and in their 2020 Parliamentary Agreement, Labor and the Greens formally committed to its return (Point 9.5). More than eight years later, the ACT Government has yet to fulfill this promise, despite its importance to the local Aboriginal and Torres Strait Islander community.³²

Similarly, the Ngunnawal Bush Healing Farm was envisioned by Elders over two decades ago as a residential facility where Aboriginal cultural beliefs, customs and values would be embedded in healthcare delivery. While the facility was finally opened in 2017, it has remained under the management of ACT Health, limiting its ability to fully operate as intended. Transferring the Ngunnawal Bush Healing Farm to community control would ensure that its programs align with Aboriginal cultural beliefs, customs, and values, as originally intended.

Aboriginal and Torres Strait Islander families

Recommendation

- Fully implement and resource all recommendations from the [Our Booris, Our Way](#) report, in partnership with Aboriginal and Torres Strait Islander people and ACCOs.

The overrepresentation of Aboriginal and Torres Strait Islander children, young people, and families in the ACT child protection system remains unacceptably high. Despite some positive reforms, including the establishment of the ACT Aboriginal and Torres Strait Islander Children and Young People Commissioner, significant gaps persist in the funding and implementation of key recommendations from the *Our Booris, Our Way* report.

³⁰ Moskos, M., Milligan, V., Benedict, R., Habibis, D., Isherwood, L. and van den Nouwelant, R. [Indigenous housing support in Australia: the lay of the land, AHURI Final Report No. 434](#), Australian Housing and Urban Research Institute Limited, Melbourne, February 2025, p 62-64

³¹ Estimates were calculated by AHURI by applying projected overall household growth rates between 2021 and 2041, to current levels of unmet need.

³² J Evans, [Briefing: Return Boomanulla Oval to community control](#), ANTaR ACT, July 2024



The ACT Government has committed to progressively reallocating funding to ACCOs and transitioning 100% of Aboriginal and Torres Strait Islander children, young people, families, and carers to ACCO led services.³³ However, there is no clear timeline, and current investments remain insufficient to meet community needs.³⁴

Despite the formal commitment to embedding the Aboriginal and Torres Strait Islander Child Placement Principle (ATSICPP) in legislation, it has yet to translate fully into practice and systemic change. Many Aboriginal and Torres Strait Islander children are still being placed in non-Indigenous foster or residential care, resulting in cultural disconnection and poorer long-term outcomes.³⁵

To uphold its stated commitment to self-determination, the ACT Government must urgently prioritise investment in Aboriginal led, community-controlled early intervention services. ACCOs require secure and proportional funding to provide families with voluntary, culturally safe support before risks escalate to crisis levels. The shortage of health specialists and funding for early diagnosis and intervention in cognitive, behavioural, and learning conditions — such as Fetal Alcohol Spectrum Disorder (FASD), Attention Deficit/Hyperactivity Disorder (ADHD) and Autism Spectrum Disorder (ASD) — further compounds stress on families, making access to targeted supports critical.³⁶

The ACT Commissioner for Aboriginal and Torres Strait Islander Children has raised concern about the number of resources allocated to ‘emergency action’ rather than early intervention and planning. Further concern is the lack of involvement of ACCOs in emergency action decision-making that results in the removal of Aboriginal and Torres Strait Islander children. Such critical decision making cannot occur without their independent cultural input, their exclusion undermines the principles of “self-determination, community cultural sovereignty and child-rearing practices”.³⁷

The Our Booris, Our Way Implementation Oversight Committee has also raised concerns about ongoing government investment in residential care, despite evidence that it increases the risk of harm and cultural disconnection. More funding must be allocated to Aboriginal-led solutions that keep children safely at home with their families, rather than residential care settings.³⁸

While the ACT Government has made progress, such as funding the establishment of the Care and Protection Legal Advocacy Service (CPLAS) through the Aboriginal Legal Service (ALS NSW/ACT), funding commitments remain short-term and inadequate. Sustainable, long-term investment is required to support Aboriginal families in navigating the child protection system and securing culturally safe outcomes for their children.

³³ Community Services Directorate, [Family Matters Report 2024](#), SNAICC, 2024, p 72

³⁴ Our Booris Our Way Implementation Oversight Committee, [Family Matters Report 2024](#), SNAICC, 2024, p 73

³⁵ Office for Aboriginal and Torres Strait Islander Children and Young People (ACT), [Family Matters Report 2024](#), SNAICC, 2024, p 74

³⁶ Office for Aboriginal and Torres Strait Islander Children and Young People (ACT), [Family Matters Report 2024](#), SNAICC, 2024, p 73

³⁷ Office for Aboriginal and Torres Strait Islander Children and Young People (ACT), [Family Matters Report 2024](#), SNAICC, 2024, p 73

³⁸ Our Booris Our Way Implementation Oversight Committee, [Family Matters Report 2024](#), SNAICC, 2024, p 73



Without meaningful and proportional investment, Aboriginal and Torres Strait Islander children will continue to be removed from their families, culture, and community. The ACT Government must act urgently to honour its commitments in *Our Booris, Our Way*, and deliver a self-determined, community-led approach to child protection reform.

Justice system reform

Recommendation

- Set aside funds to act on the findings of the [Independent Review into the Overrepresentation of Aboriginal and/or Torres Strait Islander people in the ACT Justice System](#).

The overrepresentation of Aboriginal and Torres Strait Islander people in the ACT justice system has worsened despite modest reductions in imprisonment rates. While First Nations incarceration in the ACT decreased by 5% between 2017 and 2023, the overall overrepresentation has increased by 27%, far above the national average. Alarming, nearly nine in ten Aboriginal and Torres Strait Islander men in prison in the ACT have been previously incarcerated.³⁹

In their independent review, the Jumbunna Institute identified several structural barriers preventing meaningful progress, including:

- A lack of coordination and accountability in implementing justice reforms.
- Systemic racism embedded in legal and correctional systems.
- Inadequate data collection, hindering targeted solutions and accountability.
- Limited funding for Aboriginal-led programs and services.⁴⁰

The ACT Government has introduced innovative First Nations justice programs, including Ngurrumbai Bail Support, Galambany Court, and Empowerment Yarning Circles. However, these initiatives lack sufficient resources, limiting their impact. Stakeholders have also highlighted that many of the programs the ACT Government relies on to demonstrate progress predate key national reforms, raising concerns about whether the justice reform agenda has stalled.

To break the cycle of incarceration and systemic disadvantage, the ACT Government must provide dedicated funding to action the recommendations of the Independent Review into the Overrepresentation of Aboriginal and/or Torres Strait Islander People in the ACT Justice System. This funding should support Aboriginal-led diversion, rehabilitation, and legal services, ensuring that Aboriginal and Torres Strait Islander people have access to culturally safe pathways away from the justice system.

³⁹ C Cunneen, F Allison, A Selcuk, J Beaufile, S Russell, [Independent Review into the Overrepresentation of First Nations People in the ACT Criminal Justice System](#), [First Report], Jumbunna Institute for Indigenous Education and Research, University of Technology Sydney, 14 August 2024, p v-vi

⁴⁰ Cunneen, Allison & Selcuk, *Independent Review into the Overrepresentation of First Nations People in the ACT Criminal Justice System*, 2024



Budget processes

A well-structured and transparent budget process is essential for ensuring financial stability and long-term planning for community sector organisations. Uncertainty around funding, a lack of structured engagement and unclear budget reporting create unnecessary financial strain and limit the sector's ability to deliver vital services.

Mechanism to identify under-invested priorities

Recommendation

- Establish a clear, mechanism — aligned with the Needs Assessment and Strategic Investment Plan — that identifies and communicates unmet or underfunded areas following the procurement phase in each commissioning cycle.

The commissioning process is intrinsically resource-intensive, requiring significant effort from both government and community sector organisations to identify needs, review service models, and realign resources. The assessment of community need and how best to meet it has not occurred for over a decade in most subsectors. Both Government and the community sector have or are investing significant resources in this co-design process, including to inform and develop Needs Assessments and Strategic Investment Plans for each subsector. In subsectors where this has been sufficiently resourced, this process has produced helpful information that has guided effective investment and ensured government and the community sector have a shared view about priorities.

After the ACT Government procures services, there is no mechanism that ensures this shared view is maintained. One possibility is for the ACT Government to publish a third document in each commissioning cycle, this one after procurement, with relatively little effort. It would simply indicate which services in the Strategic Investment Plans had been procured, and which were not. This would help ensure that government and the community sector continued their shared understanding about priorities, and help focus subsequent engagement with budget processes. ACTCOSS is confident that other mechanisms might also be developed which would serve the same purpose, and is agnostic as to which mechanism is used as long as it accomplishes the goal of continued communication about priorities.

Without a dedicated mechanism to capture and communicate unmet or underinvested areas, several inefficiencies compound:

- Misalignment with commissioning objectives: Gaps remain hidden, making it difficult to adapt services to emerging and future needs. Without transparent feedback loops, barriers identified during engagement may persist unresolved.
- Reduced coordination: A clear, publicly accessible mechanism for highlighting priority unmet needs encourages collaboration among providers and prevents service fragmentation.



- Risk to sector sustainability: Organisations cannot effectively plan or innovate if they lack clarity on priority areas, leading to potential duplication of effort and uneven distribution of resources.
- Suboptimal value for money: When unmet needs remain obscured, government funds risk being allocated inefficiently, undermining economies of scale and eroding public trust in the commissioning process.

By establishing a clear, mechanism that identifies and communicates unmet or underinvested areas, government can both uphold the objectives of commissioning and ensure public resources are deployed with maximum impact.

Budget timing

Recommendation

- To ensure organisations have adequate participation in future funding decisions, we propose two key changes to the budget process:
 - Release the budget in May rather than late June.
 - Schedule community sector roundtables at least eight months prior to budget release to provide meaningful opportunities for stakeholder engagement and input.

The community sector is an excellent source of information to assist government in allocating resources. The sector has an especially good understanding of the needs of priority populations, which are often less visible to government. It is important that the timing of budget participation for the sector make this information available to government when key decisions are being made, which means sooner than current processes.

Many community organisations have funding agreements that end on 30 June. When the budget is delivered in the last week of the financial year, confirmation of continued funding arrives too late for practical operational planning. This uncertainty forces providers to continue delivering essential services without financial assurance, placing strain on their operations and staff while they await confirmation of funding.

- Timely cash flow: Even when funding does roll over, the gap between budget confirmation and the actual flow of funds can extend beyond the start of the new financial year, leaving organisations in a financially precarious position.
- Loss of key staff: Without the funding being secured until the last minute, key staff leave due to employment uncertainty, reducing the effectiveness of programs which are continued.
- Effective engagement: Holding roundtables well before budget finalisation allows more time for meaningful engagement and robust planning. This earlier scheduling gives government and the community sector greater scope to align proposals with emerging priorities. As a result, budget decisions can be more strategically informed, reducing the likelihood of rushed or under-considered allocations.



- Operational certainty: Moving the release date to May allows organisations to plan, budget, and renew contracts in a timely manner, minimising disruptions and the loss of staff to vital community services.

By adjusting the budget timetable and consultation schedule, the ACT Government can strengthen the financial sustainability of community service organisations, reduce service interruptions, and foster a more transparent and collaborative approach to public funding.

Budget line items

Recommendations

- Introduce a dedicated budget line item for all community sector funding, reported within each relevant Directorate and their corresponding budget statements. In the Budget Outlook, aggregate these line items to present a clear picture of total ACT Government investment in the community sector.
- Similarly, a dedicated budget line item for all ACCO funding, reported within each relevant Directorate and their corresponding budget statements. In the Budget Outlook, aggregate these line items to present a clear picture of total ACT Government investment in ACCOs.

A clear and transparent budget is essential for accountability and informed decision-making. Funding for community sector organisations and ACCOs is scattered across multiple directorates, making it difficult to see the full picture of government investment.

Aggregated figures should not include funding for the construction or maintenance of government-owned buildings which will be used by the community sector, though this information should also be made available.

Introducing dedicated budget line items for community sector funding and ACCOs will:

- Make it easier to track spending and measure impact.
- Ensure funding commitments are clear and accessible.
- Help both government and the sector plan effectively for the future.

This simple change will bring greater transparency and clarity to the level at which the ACT Government invests in the community sector and the Aboriginal Community Controlled sector.