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Long-term funding contracts for community services organisations a step closer

The announcement today by Minister for Social Services, Amanda Rishworth, that the Federal Government will trial longer-term funding contracts and deliver proper indexation to community services funding grants, is welcome news for Australia's community services sector.

Minister Rishworth was speaking at the annual Australian Service Union Senior Delegation conferences this morning.

Executive Director of Catholic Social Services Australia, Ms Monique Earsman, said the announcement provides the social services sector with a degree of certainty that it has been calling out for many years.

"Many social service groups around Australia struggle to meet ongoing costs, including wages, in an environment where there is no long-term certainty around funding," Ms Earsman said.

"And with the recent changes to the national minimum wage and superannuation, and inflationary pressures, the financial challenges for social services providers are on the increase.

"The announcement today by the Minister, if implemented, will help service providers better plan for the future and provide greater certainty to their staff and hundreds of thousands of Australia's most vulnerable who rely on their services," Ms Earsman said.

Speaking to the ASU delegation, Minister Rishworth said she is keen for the Government to trial a new longer contract term for grants ceasing in 2022 to 2023 financial year to see if organisations will be able to better plan for the future.

"The Government is listening to service delivery providers...and understands the impact of the recent national minimum wage increase, superannuation guarantee increases and inflationary pressures.

"My Department is working across government and with the sector to understand the flow on effects to the community sector, which are likely to be higher given the ratio of wage costs to support services delivery," she said.

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