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Senate Select Committee into the Abbott Government's Budget Cuts  
PO Box 6100  
Parliament of Australia  
Canberra  
ACT 2600

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22 August 2014

Dear Committee Secretariat

### **Impact of Budget Cuts on Legal Assistance Services**

We write on behalf of the National Association of Community Legal Centres (NACLC), the national peak body for the approximately 200 community legal centres (CLCs) across Australia.

We understand that the Senate Select Committee into the Abbott Government's Budget Cuts (the Committee) is currently conducting an inquiry into the effect of cuts and changes in the 2014-2015 Federal Budget. We suggest that the Committee consider cuts to Commonwealth funding for legal assistance services in the course of its Inquiry.

### **Legal Assistance Services in Australia**

There are four publicly funded legal assistance providers in Australia—CLCs, Legal Aid Commissions (LACs), Aboriginal and Torres Strait Islander Legal Services (ATSILS) and Family Violence Prevention Legal Services (FVPLS). NACLC is concerned about the effect of recent cuts to funding for all legal assistance services and the impact such cuts will have on the ability of the most vulnerable members of our community to access legal assistance.

CLCs play a complementary but distinct role to other providers of legal assistance, playing a safety net or 'gap filling' role by assisting those clients who are unable to access legal aid or other legal assistance services, and who cannot afford private lawyers. CLCs are independently operating community-based organisations that provide free and accessible legal and related services to disadvantaged members of the community, and to people with special needs or who are for other reasons vulnerable and at risk.

### **Mid-Year Economic and Fiscal Outlook and Federal Budget Cuts**

Community legal centres derive funding from a range of sources, including through the main CLC funding program, the Community Legal Services Program (CLSP) (note funding may be either or both Commonwealth and/or State funding), other government funding, fundraising, philanthropic donations, and other sources.

In December 2013, as part of the Mid-Year Economic and Fiscal Outlook 2013-2014, the Commonwealth Government announced a funding cut of \$43.1 million for legal assistance services over four years from 2013-14. This included a cut of \$19.61 million to CLCs, \$13.34 million to ATSILS, \$3.65 million to FVPLS and \$6.49 million to LACs.

Cuts to some CLCs, in particular the Environment Defenders Offices across Australia and the Public Interest Advocacy Centre in Sydney, were communicated immediately, however in May 2014, CLCs were informed about the exact allocation of cuts to take effect in 2015-16 and 2016-17. While the Commonwealth Attorney-General indicated that the MYEFO cuts to legal assistance services were directed at policy and law reform activity, these cuts have also impacted front-line service delivery.

Further funding cuts have been announced to legal assistance providers, including, for example, an additional \$6 million cut to CLCs as part of the Federal Budget as well as cuts to specific programs. The Commonwealth Government did announce one-off grants totalling \$1.55 million to 14 CLCs in June 2014. NACLC is concerned however that the cuts overall further reduce the ability of legal assistance providers to meet the legal needs of disadvantaged Australians.

We draw your attention to submissions written by NACLC members that highlight the specific impact of these cuts in particular states and territories. For example, the impact of these cuts on CLCs in Victoria is outlined in the supplementary submission made by the Federation of Community Legal Services (Victoria) to the Productivity Commission's Access to Justice Arrangements Inquiry.<sup>1</sup> Similarly, the impact in Queensland is outlined in the Queensland Association of Independent Legal Services (QAILS) submission to this Inquiry. We also note work done by Community Law Australia highlighting the impact of funding cuts in particular states and territories<sup>2</sup> and work done individual CLCs to map the effect of funding cuts, including for example by Women's Legal Centre (ACT & Region) at Annexure A.

We also note that in the recent Federal Budget, it was announced that more than 150 Indigenous programs under the responsibility of the Department of Prime Minister and Cabinet would be 'rationalised' into five high-level program streams under the Prime Minister's *Indigenous Advancement Strategy* (IAS). It was also announced that, under this strategy, \$534.4 million is to be cut from Indigenous Affairs over the next five years. The new funding Guidelines for the IAS were released on 8 August 2014. We understand that under the Guidelines, FVPLS is no longer being considered as a standalone program or as a core service model that provides legal assistance services and that FVPLS would be required to apply for funding alongside other services to Aboriginal and Torres Strait Islander people. We also understand that the Commonwealth Government intends that much of the funding will be available through 'open competitive grant rounds' and that FVPLS will be required to enter the open tender process to compete for their core funding.

We encourage the Committee to consider the submission made by National FVPLS to this Inquiry for further information and detail about the effect of these cuts on FVPLS.

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<sup>1</sup> Federation of Community Legal Centres (Victoria), *Submission DR317 to Productivity Commission Access to Justice Arrangements Inquiry*, July 2014, available here: [www.pc.gov.au/projects/inquiry/access-justice/submissions](http://www.pc.gov.au/projects/inquiry/access-justice/submissions).

<sup>2</sup> See, eg, Community Law Australia, *Budget Cuts to Free Legal Help Hit Vulnerable and Isolated Victorians*, 31 July 2014; *Budget Cuts Place Free Legal Help Further Out of Reach for South Australians*, 24 July 2014; and *Budget Cuts Place Free Legal Help Further Out of Reach for Queenslanders*, 24 July 2014. Available at: [www.communitylawaustralia.org.au/news-media](http://www.communitylawaustralia.org.au/news-media).

NACLC emphasises that FVPLS provide vital frontline services and are specialist and culturally appropriate legal service providers for Aboriginal and Torres Strait Islander victims and survivors of family violence. FVPLS are a crucial element of the legal assistance system and are central to ensuring access to legal assistance for all members of our community and should be funded directly and appropriately. Accordingly, NACLC supports the National FVPLS Forum calls for direct allocation of funding for current providers.

Finally, we also note that a number of the other proposed Budget measures are likely to have an impact on CLC clients, who are predominantly the most vulnerable and disadvantaged members of our community.<sup>3</sup>

### **Law Reform and Policy Advocacy Work**

On a related issue, we note that there is also an increasing emphasis by the Australian Government on no longer funding legal assistance service providers to undertake law reform and policy advocacy work. For example, CLCs are no longer able to use Commonwealth funding for law reform and policy and advocacy work. This has been clarified by the Australian Government Attorney-General's Department, who has indicated that where a CLC makes a submission to a government or parliamentary body to 'provide factual information and/or advice with a focus on systemic issues affecting access to justice', it will not be considered an advocacy activity. However, the preparation of any such submissions is not to result in reduced service delivery.

In addition, the Commonwealth Government has defunded the National Aboriginal and Torres Strait Islander Legal Services and all Law Reform and Policy Officer positions with state and territory ATSILS; Legal Aid Commissions are prevented from using Commonwealth funding for the purpose of lobbying government or elected representatives, or to engage in public campaigns; and FVPLS are being funded only to deliver 'front-line' services and not law reform and advocacy services.

These changes will have significant effects as the law reform, policy advocacy and lobbying work of legal assistance providers is crucial in identifying and encouraging reform of laws, policies and practices that adversely or inequitably impact on disadvantaged people and vulnerable groups in the community.

The value of this work has been recognised in a number of contexts, including the recent Productivity Commission Inquiry into Access to Justice Arrangements. In its Draft Report, the Productivity Commission acknowledged that CLCs play a key role in law reform, policy and advocacy and expressed the view that these services should be a 'core activity' of CLCs and that CLCs 'play a key role in identifying and acting on systemic issues'.<sup>4</sup>

Further, while the contribution made by CLCs undertaking law reform and advocacy work can be difficult to quantify, the Commission also expressed the view that: 'advocacy can ... be an efficient way to use limited taxpayer dollars' and stated that

strategic advocacy can benefit those people affected by a particular systemic issue, but, by clarifying the law, it can also benefit the community more broadly and improve access to justice (known as positive spill-overs or externalities). Advocacy can also be an

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<sup>3</sup> See, eg, National Welfare Rights media releases and submissions in relation to proposed social security changes, available here: [www.welfarerights.org.au/news](http://www.welfarerights.org.au/news). See also, National FVPLS Submission to this Inquiry for particular impact on Aboriginal and Torres Strait Islander peoples.

<sup>4</sup> Productivity Commission, *Access to Justice Arrangements*, Draft Report, (April 2014), 609, 622, 623, 625.

efficient use of limited resources. It can be an important part of a strategy for maximising the impact of LAC and CLC work.<sup>5</sup>

## **Conclusion**

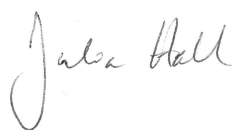
We note for the Committee's information that the recently released Review of the National Partnership Agreement on Legal Assistance Services by ACIL Allen Consulting and the Productivity Commission's Draft Report as part of its Access to Justice Arrangements Inquiry both considered issues relating to future funding mechanisms for legal assistance services. NACLCL, CLCs and other legal assistance providers made detailed submissions in relation to both these reviews.

In addition, NACLCL is currently engaging in discussions with the Australian Government Attorney-General's Department and the other legal assistance services in relation to a proposed Draft National Strategic Framework for Legal Assistance Services as well as future funding models for legal assistance services.

Funding cuts to legal assistance services in Australia, including under the most recent Federal Budget, will have a direct impact on the provision of legal assistance services. NACLCL encourages the Committee to consider these cuts and the impact they will have on access to legal assistance services for the most vulnerable and disadvantaged members of the community.

We would welcome the opportunity to discuss these issues with you further.

Yours sincerely



**Julia Hall**  
**Executive Director**

***Annexure A: Women's Legal Centre (ACT & Region), Impact of \$50,000 Funding Cut in 2015-2016 and 2016-2017.***

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<sup>5</sup> Productivity Commission, *Access to Justice Arrangements*, Draft Report (April 2014), 623.