

Disability Care and Support – Productivity Commission Draft Report



Submission by the Northern Sydney Regional Organisation of Councils (NSROC)

Tuesday 3 May 2011

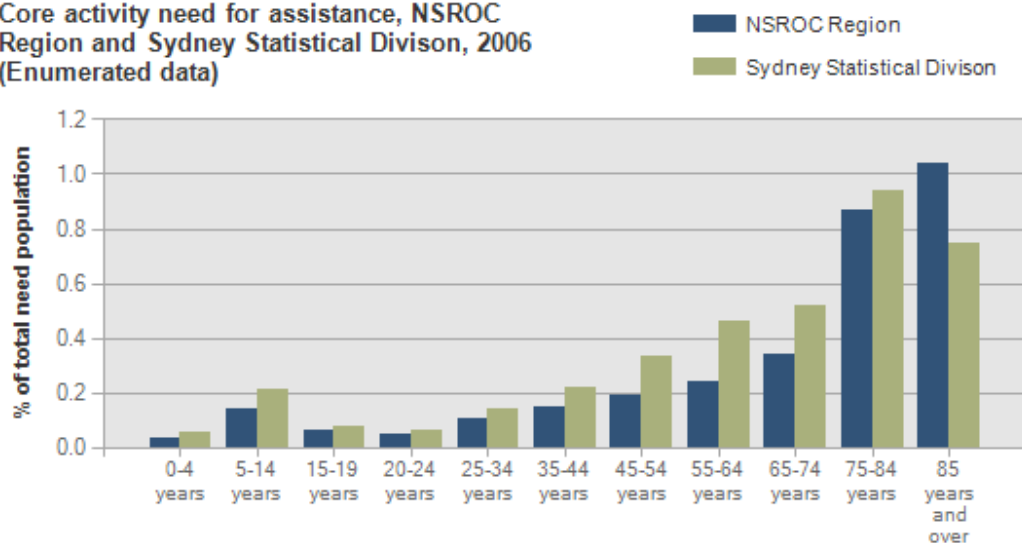
BACKGROUND

The Northern Sydney Regional Organisation of Councils (NSROC) is comprised of seven councils (Hunter's Hill, North Sydney, Willoughby, Ku-ring-gai, Ryde, Hornsby and Lane Cove) in the northern part of Sydney which have voluntarily come together to address regional issues, work co-operatively for the benefit of the region, and advocate on agreed regional positions and priorities. All of these councils work closely with their communities to ensure that planning for growth within the region is sustainable and recognises the social, economic and environmental needs of the community.

Disability in the NSROC region

Disability needs of the NSROC region are difficult to determine. The 2006 Census data suggests that 3.2% of the NSROC population reported needing assistance with core activities, compared with 3.8% for Sydney Statistical Division.

Core activity need for assistance, NSROC
Region and Sydney Statistical Division, 2006
(Enumerated data)



Persons who need assistance by age group

Source: Australian Bureau of Statistics, 2006 Census of Population and Housing (Enumerated)

The NSROC region has a significantly aging population. According to the 2006 Census, 18.8% of NSROC residents were aged 60 years and over, compared with 16.7% respectively for Sydney Statistical Division. This is reflected in the higher “need for assistance” data for those over 85 years illustrated in the above graph.

GENERAL COMMENTS

NSROC member councils support the Draft Report recommendations for both a National Disability Insurance Scheme (NDIS) and a National Injury Insurance Scheme (NIIS). However consistent with the position of the Australian Local Government Association (ALGA) we oppose the use of partial revenue collection for the NIIS via a council rating system or contribution from council general revenue.

Our concerns include:

- the use of local government revenue collection infrastructure to raise funds for state or national purposes without recompense to local government for associated administrative costs is an inequitable cost shift to councils and ratepayers;
- the use of local government revenue collection infrastructure to raise funds for state or national purposes masks the accountability and responsibility roles between levels of government and is confusing to the public;
- the capacity of councils to increase rates and source new revenue is limited by rates capping (in NSW) and general statutory restrictions. If funds are sourced from general council revenue then councils would have to reduce expenditure in other areas of priority, jeopardising their core responsibilities and financial sustainability;
- the capacity for councils to further mitigate public liability risk is limited. Councils are already incentivised to minimise their risks (and hence their premiums) in their existing public liability schemes. In NSW, the new scheme would initially respond where Councils are not liable under the existing Civil Liabilities (Personal Responsibility) Act 2002. As such, Councils' risk exposure remains the same and Councils' premiums would not be offset from the introduction of NIIS.
- generally rates are calculated against land values. If a NIIS levy was linked to land values then there would be a cost distortion towards council areas with higher land values. However, higher levy contributions by such land owners have no correlation to higher risk profiles for the region or for individual activity. The NIIS levy would therefore disconnect payments from preventative or risk minimisation incentives for individuals.

NSROC supports the NIIS in principle but argues that the support for the fund should be drawn from a broader Federal Government revenue base and existing insurance products such as motor vehicles and medical indemnity.

For further information or discussion on the issues raised in this submission please contact Carolynne James, Executive Director, Northern Sydney Regional Organisation of Councils (NSROC)

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