

# A sector in crisis

Community legal centres provide crucial support to people and communities. But new data shows a funding crisis has pushed the sector to breaking point.

**SNAPSHOT** 

Nationally, community legal centres assisted 179 000 people across the country in 2022–23 to manage everyday legal problems with their housing, employment, health, finances and personal safety, and to better understand and exercise their legal rights. Our independent, holistic, and traumainformed services help to keep people safe, and prevent them from ending up in jails, hospitals and on the streets.

### Key challenges

- 1. Inadequate funding
- 2. Increased demand for services
- 3. Recruiting and retaining skilled staff

In 2022-23 inadequate funding, overwhelming demand for services and workforce challenges left community legal centres struggling to respond to legal need.

Inadequate funding and rising costs are pushing community legal centres to breaking point. Centres are struggling to meet overwhelming demand in the community for legal help, and are being forced to turn people away, reduce services and close outreaches. Frontline workers are suffering high rates of vicarious trauma and burnout, and high staff turnover is contributing to a national workforce crisis. Community Legal Centres Australia's State of the Sector survey gathers data from across the community legal sector. A sector in crisis is the report on the 2022–23 survey.

> **179 000** people helped in 2022–23

9 out of 10 legal centres experienced an increase in demand for services in 2022–23.

> More than **350 000** people turned away due to inadequate resources

About the data This snapshot presents key findings from A sector in crisis, the report on Community Legal Centres Australia's 2022–23 State of the Sector survey. The survey collected data from 117 centres (71% of centres in our national membership network) between October 2023 and February 2024. We supplemented this data with information from over 130 sector workers who participated in national consultations on the Independent Review of the National Legal Assistance Partnership Agreement between August and October 2023.



#### Low wages and increased demand are fuelling a workforce crisis across the sector.

- Inadequate resourcing to meet rising demand for legal help from people with increasingly complex needs has led to overworked overworked staff being burnt out and demoralised.
- The workforce crisis is acute in remote and very remote communities, where rates of socio-economic disadvantage are higher, fewer services are available and the costs of delivering those services are higher.
- 57.1% of centres in remote communities reported higher resignation rates in 2022-23 than the previous year, compared with 35.1% of centres in metro and regional areas combined. Remote centres also reported higher vacancy rates than metro and regional centres (40.1% and 31.6%).

The Commonwealth Government has a responsibility to provide community legal centres with consistent, guaranteed baseline funding. People and communities experiencing disadvantage deserve to feel certain the holistic, trauma-informed services they rely on will be accessible where and when they need them – now, and into the future.

If future funding is not announced until the 2025–26 federal budget, centres will have less than two months' funding left. They will be unable to keep or recruit staff. Critical programs will be wound down.

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## The community legal sector needs 2000 extra full-time workers to meet demand.

BUT community lawyers earn 10–35% less than lawyers in the public sector.

Low remuneration was the main driver of resignations for 63% of centres and the main barrier to attracting and retaining staff for 80%.

Inadequate funding and staff shortages mean reduced capacity to deliver muchneeded services. This results in a chronic cycle of increased demand, higher numbers of people turned away, mounting unmet need, and staff burnout and turnover. Ultimately, people and communities bear the harm this cycle causes.

#### People and communities need governments to invest in the community legal centres they rely on.

- Most community legal centres (93%) received Commonwealth Government funding in 2022–23; for 60%, it was the largest share of their funding.
- 75% received state or territory government funding; for almost 40% it was the largest share of their funding.

The Commonwealth Government must invest an extra **\$125 million** in community legal centres via the May 2024 budget and make clear its ongoing commitment to legal assistance funding from 1 July 2025 in the forward estimates.