Deloitte Access Economics

Forecasting the future: Community services in Queensland 2025 was commissioned by the Community Services Industry Alliance and the Department of Communities, Child Safety and Disability Services. The full report and summary report are available online, and provide more detailed findings and analysis regarding the future profile of the Community Services Industry in Queensland, looking forward ten years to 2025.

Economic trends

The **ratio** of working-age Queenslanders to those over 65 was **5:1** in 2015

By 2025, this **ratio** will decrease to **4:1**, placing pressure on demand for community services and how they are funded
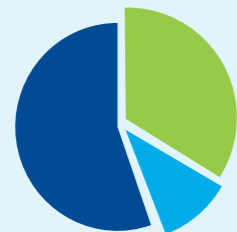
Social context

25.8% of Queenslanders derived their **primary income** from Government **welfare payments** in 2013-14, marginally higher than the national average of 24.7%

Industry profile 2015

Composition

- **35.6%** of organisations in the Industry have an **annual turnover** of **$50,000 to $200,000***
- **7.3%** have an **annual turnover** of **$2M or more***

56% of directors in the Social Services NFP sector nationally reported that they had **discussed mergers** with their board in the last 12 months

13% had **completed** a **merger** in the last 12 months

Resources and capital

Majority of Community Services investment was derived from Government sources in 2015
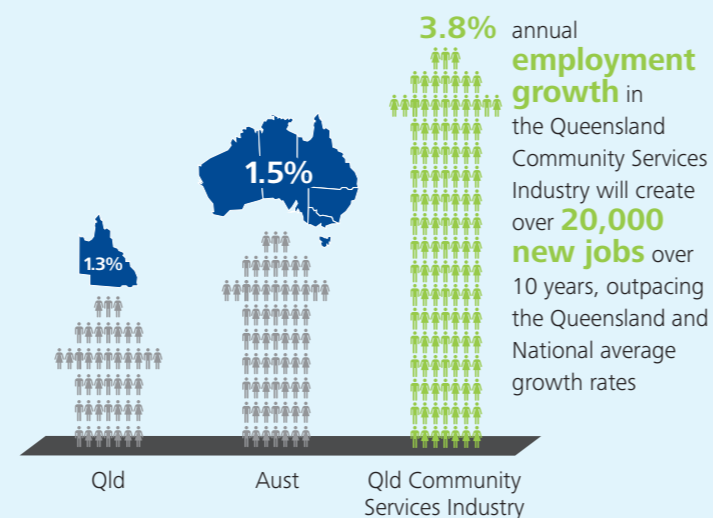
There will be an imperative for the industry to seek investment from diversified and innovative revenue sources
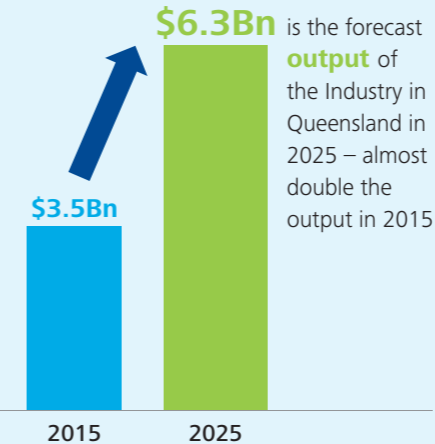
Workforce and skills

The Queensland Community Services Industry currently employs **40,000+** people

75.4% of whom are **women**

3.8% annual **employment growth** in the Queensland Community Services Industry will create over **20,000 new jobs** over 10 years, outpacing the Queensland and National average growth rates

1.3% Qld
1.5% Aust
Qld Community Services Industry

Output

$3.5Bn 2015

$6.3Bn is the forecast **output** of the Industry in Queensland in 2025 – almost double the output in 2015

2015 — 2025

*Industry composition data from 2014

A bright future ahead...

The Industry will be **challenged to meet future demand** and **realise future potential** with current workforce and investment profiles. This will require the Industry to **rethink** the way services are **funded, delivered** and **received**, by harnessing **key success imperatives.**

Policy and regulation
Holistic and evidence-based policy and regulatory reform will be required to ensure standards of services are upheld, and consumers are protected in a changing environment.

Collaboration and cooperation
In an environment of growing demand and fiscal constraint, engagement between the private sector, Government, universities, community members and community service organisations – in mutually beneficial partnerships – has the potential to deliver robust and sustainable services across Queensland.

Productivity
Improving workforce productivity has the potential to improve efficiency and value for money of existing investments. In addition, the use of effective and evidence-based performance measurement and monitoring frameworks will enhance the understanding of what works.

Funding and financing
Rethinking funding and financing is critical to address increasing demand – expectations of Government and other investors and purchasers will be higher. There will be a focus on improved return on investment, necessitating the need for a stronger evidence base, continued innovation and efficiencies.

Digital disruption
A planned approach is required to be on par with other industries in regard to the adoption of digital technologies.

Research and innovation
Leadership and access to new skills and disciplines will shape the Industry's ability to pursue research and innovation, allowing the Industry to take advantage of the transformation that it brings.

Outcomes focus
The focus on outcomes delivered to people and communities will shift the dial, leading to improvements in social and economic outcomes for Queenslanders.