

2026-27 Pre-Budget Submission

Community Legal Centres NSW

December 2025

Summary

We propose a sustainable investment in community legal centres. Our sector works to ensure the safety and wellbeing of people experiencing domestic and family violence, housing precarity, poverty and complex, persistent disadvantage in NSW by providing free legal assistance services and support. Implementing our funding proposal will help achieve a number of outcomes under Treasury's 'secure', 'community' and 'housed' wellbeing themes.

Our funding proposal:

1. Increasing annual NSW base funding for existing NSW community legal centres to \$32 million, plus;
2. An additional special Regional, Rural and Remote Legal Assistance Loading for Community Legal Centres providing legal assistance to clients in regional, rural, remote and very remote areas;
3. Additional investment in the sector to ensure complete geographic coverage of Community Legal Centres across the state through existing and/or new CLCs;
4. Additional targeted ongoing funding for Community Legal Centres to provide specialist and culturally safe legal assistance to migrants, asylum seekers and refugees in NSW;
5. Additional targeted ongoing funding for Community Legal Centres to provide specialist legal assistance to LGBTIQ+ people in NSW;
6. Robust protocols for swift dispersal of funds in the event of emergencies;
7. Funding for the peak body, Community Legal Centres NSW, of \$2m per annum.

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About Community Legal Centres

Community Legal Centres (**CLCs**) help people every year to resolve everyday legal problems in areas like housing, relationships, debts and money problems, and discrimination. People trust CLCs to support them early, before legal problems snowball to crisis point. Our services keep people in jobs and homes, and out of debt, hospitals, courts, and prisons. Our sector plays a crucial role in preventing and responding to domestic and family violence. Frontline family law and family violence services make up the largest area of work for our sector.

Many people's legal issues are connected to other social and financial problems. CLCs provide holistic, trauma-informed support that recognises the impacts of trauma and discrimination on people's ability to access justice. Because of this, community legal centres employ not just lawyers but social workers, financial counsellors, Aboriginal community development workers, tenant advocates and more, to help people holistically.

51,182 people were supported by community legal centres in NSW in 2024-25:

- 38,835 people experiencing financial disadvantage;
- 14,000 people experiencing, or at risk of, family violence;
- 11,312 people with disability or mental illness;
- 9,613 people whose main language spoken at home is not English;
- 5,373 Aboriginal and Torres Strait Islander people; and
- 4,685 outer regional and remote clients
- Gender breakdown (where gender is known):
 - Female: 27,996 (53%)
 - Male: 21,862 (42%)
 - Other gender: 330 (1%)

Services provided by NSW community legal centres broken down by type:

- | | |
|------------------------------------|--------------------------------------|
| ● Legal advice: 57,397 (25.3%) | ● Court / Tribunal: 1,061 (0.5%) |
| ● Information: 30,397 (13.4%) | ● Other representation: 3,150 (1.4%) |
| ● Legal task: 15,646 (6.9%) | ● Ongoing legal support: 49 (0.02%) |
| ● Non-legal support: 12,945 (5.7%) | ● Referral: 99,943 (44.1%) |
| ● Dispute resolution: 6,239 (2.7%) | |

About Community Legal Centres NSW (CLCNSW)

Community Legal Centres NSW is the peak representative body for 41 community legal centres across New South Wales. Our small team based in Surry Hills supports, represents and advocates for our members and the legal assistance sector more broadly, with the aim of increasing access to justice for people in NSW.

We provide the following support and representation for community legal centres in NSW:

- Facilitating 19 sector-wide networks and 2 communities of practice for CLC workers in NSW;
- Providing the Aboriginal Legal Access Program, providing support to First Nations staff in the sector;
- Running a First Nations Cadetship Program and Rural, Regional and Remote Internship Scheme;
- Supporting and strengthening the sector's data collection and reporting capacity;
- Coordination of sector responses to disasters;
- Assessing and accrediting members to meet the requirements of the National Access to Justice Partnership;
- Tailored and general sector training on use of emergent technologies, workforce development, significant policy changes and law reform, leadership and governance, cultural safety and inclusivity;
- Advocacy for a fairer and more responsive legal system through strategic law reform and systemic advocacy;
- Advocating for and representing the views of the sector to government and the public.

Cost-benefit analysis

Every dollar invested in legal assistance services delivers many dollars' worth of benefits to clients, communities, and governments.¹ The Independent Review of the National Legal Assistance Partnership 2020-25 (the **NLAP Review**), the precursor to the current national legal assistance funding agreement which funds community legal centres and other legal assistance services, addressed the economic benefits of legal assistance. These can be grouped into three broad categories or outcomes:

1. Avoided costs to the justice system including: enhanced efficiencies in legal representation; cost saving from dispute resolution; and cost saving from early legal assistance and pre-trial detention
2. Avoided costs to individuals including: reduced risk of entrenched disadvantage; reduced family violence; and reduced victimisation costs
3. Government and societal outcomes including: avoided costs to government; added efficiencies to government welfare spending; broader economic and social benefits.

The most recent example of a cost benefit analysis of legal assistance in the Australian context was developed by PwC for National Legal Aid in 2023.² This study found that the quantifiable benefits from Commonwealth funding of Legal Aid Commissions (of which 96% related to family law matters; the remainder relating to Commonwealth crimes and civil and administrative matters) were 2.25 times the funding in present value terms.

In the NLAP Review, Dr Mundy concludes that undertaking similar analyses for CLCs would show similar cost benefit ratios, given the substantial amount of work undertaken by CLCs in family law. The Australian Productivity Commission has highlighted the positive spill-over effects of funding for legal assistance services for the community and governments.³

Cost-benefit analyses focussed on the CLC sector itself suggest even more significant economic benefits of upfront investment in CLCs. A 2012 cost-benefit analysis of CLC funding which considered

¹ Dr Warren Mundy, Cth Dept of Attorney General, 2024, [Independent Review of the National Legal Assistance Partnership Final Report](#), page 13.

² National Legal Aid, [The benefits of providing access to justice](#), January 2023.

³ Productivity Commission of Australia, 2014, [Access to Justice Arrangements Inquiry Report](#), throughout Vol.s 1 & 2.

costs to the economy as a whole, rather than solely considering financial costs directly borne by Commonwealth budgets, found that ‘on average, CLCs have a cost benefit ratio of 1:18.’⁴ Ensuring CLCs can sustainably provide quality, appropriate legal assistance and support to our diverse clients is in the interest of the NSW government and community. CLCs play a critical role in preventing more expensive tertiary interventions in the court, criminal, child protection, coronial, health, homelessness, housing and guardianship systems. The downstream costs of a lack of legal assistance services are overwhelmingly borne by state public services, families and communities.

With a lower Commonwealth contribution than is needed and in the context of mutually reinforcing cost of living, housing, family violence and climate crises, a significant uplift in state government funding is needed to remediate the resourcing issues that weaken our sector and avoid the need for more expensive and traumatic crisis interventions.

Base funding increase

Recommendation 1. That the NSW government increase its contribution to base funding for existing community legal centres to \$32 million.

Community Legal Centres in NSW are chronically underfunded and in dire need of increased resources to meet the complex demand of people living through multiple crises including cost of living, housing, and domestic and family violence. The NLAP Review reconfirmed the inadequacy of CLC base funding.

In July of 2025, the National Access to Justice Partnership Agreement 2025-30 (**the NAJP**) commenced. This agreement follows the previous National Legal Assistance Partnership 2020-25 (**NLAP**).

The NAJP provides a marginal uplift to baseline Commonwealth funding which was substantially below what was requested by the community legal sector. The agreement also provided a guarantee of ongoing funding in real terms from the NSW government over the course of the 5-year agreement, without an uplift in state government funding.

While we were relieved to have finally achieved bilateral funding certainty to 2030, this certainty currently presents a similar problem experienced under the previous national partnership agreement. That is, the quantum of funds agreed does not provide enough resources for the sector to meet need

⁴ Stubbs et al, 2012, [Economic Cost Benefit Analysis of Community Legal Centres](#), page 17.

now, let alone the future growth in demand for legal assistance that history shows will far exceed the value of indexation.

CLCNSW made a comprehensive submission to the NLAP Review which included guidance on what a sustainable level of funding for CLCs in NSW would be at their 2022-23 level of staffing and operation.⁵

Based on our modelling, we now estimate that NSW government core funding will need to increase to \$32m per annum, indexed by 4.5% year on year to reflect real costs, to ensure a sustainable workforce and prevent further reductions in service capacity.

Additional base funding and loading will be required to create new services or expand existing services to provide complete geographic coverage of community legal assistance services in NSW, and to provide targeted funding for services for people belonging to marginalised groups.

Increased and complex demand

Over the past decade, inquiries, surveys and reports⁶ have found high and increasing levels of unmet legal need across the country. This hurts people and communities, and it has costs for governments and democracy.

It has the effect of forcing CLCs to either do more work with less resources, shut down new intake for periods of time, or turn prospective clients away. CLCs are squeezed by increasing demand, and real terms cuts because of inadequate indexation.

CLCs tell us year on year that not only is demand for services increasing, but the complexity of legal need is increasing as complex disadvantage and legal issues compound.

Workforce retention and sustainability

The lion's share of a CLC's budget is spent on staff salaries and on-costs. In NSW, CLCs' heavily feminised workforce is significantly underpaid and underemployed compared to the Legal Aid workforce. This causes chronic problems with recruiting, retention and morale.

⁵ Community Legal Centres NSW, 2023, [Submissions to the Independent review of the National Legal Assistance Partnership](#).

⁶ Commonwealth Attorney-General's Department (2024) [Independent review of the National Legal Assistance Partnership 2020-25 Final Report](#); Productivity Commission (2014) [Access to justice arrangements – Inquiry report](#); Law Council of Australia (2018) [The Justice Project – Final report](#).

Median salaries for FTE solicitors in Community Legal Centres are between 10 percent and 35 percent lower than the equivalent government role at Legal Aid NSW. The average annual variance in salaries among legal and non-legal staff in equivalent Community Legal Centre roles is more than \$50,000. The average annual variance in salaries among executive directors and CEOs in equivalent Community Legal Centre roles is more than \$100,000.⁷ Commonwealth uplift funding for pay parity under the NAJP alone is not sufficient to correct this discrepancy.

Most CLCs support a mix of part-time staff, full-time staff and casual staff. The highest proportion of roles across the sector are part time. This is not always the preference of employees - rather, it is often necessitated by limited funding and an inability to offer full-time positions. The results of a large part-time workforce are impacts on continuity of service, the length of time people remain in roles and in the cost of supervision, support and training.

Many CLCs are unable to provide enough job security to ensure personal benefits like being able to get a loan or access parental leave. Many workers eventually leave the sector as a result, taking their knowledge and skills with them.

The outcome of the Fair Work Commission's review of the SCHADS Award will have implications for wages costs and enterprising bargaining over the life of the NAJP, and will also need to be taken into account when managing the ongoing lack of pay parity with Legal Aid.

Adequate funding for indirect costs

Pressure from funders to deliver on targets while receiving austere funding often forces CLCs to prioritise client-facing services over organisational costs.

Program support costs for a Community Legal Centre include:

- IT systems and cyber security;
- risk management;
- marketing;
- human resources;
- strategy development;
- strategic capability;

⁷ CLCNSW, 2023, [A model for a sustainable and resilient Community Legal Centres](#), pages 8-10.

- leadership;
- learning and development;
- measurement and evaluation;
- finance and accounting support; and
- Board governance and training.

A 2022 Social Ventures analysis of 16,000 charities' operating budgets found that average indirect costs of not-for-profits was 33% of total expenditure. CLCNSW conducted a survey in 2022 which found our Centres were only able to allocate 6% of NLAP funding to indirect costs and overheads, and therefore required a 27% uplift in Commonwealth funding to cover these costs alone.⁸ This was not delivered in the NAJP.

Rent, utilities, insurance and consumables have significantly increased over recent years and are expenses that cannot be avoided. Scaling back overheads leads to greater pressure on a small number of staff. There is a continual temptation to save money in operational costs to focus on frontline services, to the detriment of staff, clients and organisations.

While some centres have found alternative funding sources for project work, as a basic civic principle government funding should meet the core costs of a sustainable service delivering a public good.

Indexation

Operational and wages costs continue to increase annually while annual indexation provides real terms cuts.

The Wage Cost Index used to calculate Commonwealth indexation under the NAJP includes an offset assumption for productivity growth. It is not possible to find organisational efficiencies in Community Legal Centres, as demand for our services outstrips capacity and, as discussed above, Centres are already unsustainably administratively lean.

Increased base funding and above-inflation indexation are needed from the NSW government to make up for the shortfall.

⁸ CLCNSW, 2023, [A model for a sustainable and resilient Community Legal Centres](#), page 18

Adequate funding for professional supervision, trauma-informed practice and culturally appropriate practice

CLCs work extensively with vulnerable client cohorts, particularly those specified as priority groups in the NAJP and the previous NLAP. Working with marginalised people effectively and respectfully requires CLCs to maintain inclusive and safe spaces for all clients and staff.

Ensuring culturally safe and trauma-informed practice requires resources to develop organisational capability, develop the workforce, ensure client participation in service design and evaluation, provide a welcoming and accessible organisation, and have effective policies and procedures for disclosure and documentation.

CLC staff often have insufficient access to specialist training to support survivors of domestic, family and sexual violence, migrants, refugees and asylum seekers, LGBTIQ+ people and First Nations peoples. Specialised training from external experts in trauma informed, inclusive practice and cultural safety can be unaffordable for small services.

Underspending on staff wellbeing, training and development is an organisational risk in terms of psychosocial wellbeing, workers compensation claims, burnout and staff retention in the organisation and in the broader legal assistance sector. It also impacts on the design and execution of service delivery.

Regional, rural and remote loading

Recommendation 2: The NSW government provide Regional, Rural and Remote Legal Assistance Loading for CLCs that provide legal assistance to clients in regional, rural, and remote areas, in addition to the required base funding increase.

Delivering services in regional, rural and remote communities has significantly higher costs than delivering place-based services in metropolitan areas. This is recognised by the NSW government in the delivery of frontline public services, with additional funding built into agency and department budgets to ensure the viability of government services and workforce retention.

There is no equivalent loading in the funding of CLCs.

Many centres in regional and rural areas report difficulty attracting and retaining qualified staff. Cost-of-living and rental crises contribute to this. CLCs also do not have the resources to provide relocation costs that may otherwise assist in attracting staff from other areas, as occurs in government services.

Additional resources required also include resourcing for cars, fuel, satellite phones, accommodation, and additional staff time to travel long distances and build relationships and trust within the Centre's catchment area.

While digital service delivery should be supported where appropriate, it is no substitute for face-to-face support. Rural and remote communities need their CLCs to be adequately resourced to travel to help them face-to-face.

We submit that the NSW government should provide loading for CLCs operating in regional, rural and remote areas calculated using similar methodologies to those used in the provision of frontline public services.

Geographic coverage

Recommendation 3: Additional investment in the sector to ensure complete geographic coverage of Community Legal Centres across the state through existing and/or new CLCs, in addition to the required base funding increase.

Being based in the community and part of the community is fundamental to who CLCs are and how we work. Being place-based improves the quality of our practice, from our work with First Nations people to our work in disaster situations. The legal assistance sector in NSW is organised by geographical catchments, deliberately designed to minimise duplication.

CLCs often operate at or beyond their capacity to address the significant legal needs of their respective catchment areas. We are now in a situation where the sheer volume and complexity of cases has forced services to reduce their catchment areas, resulting in geographical gaps.

CLCNSW has identified large areas of NSW where services are severely limited or unavailable as existing regional services are unable to service large catchment areas, which has been communicated to the government.

Specialist legal assistance for priority groups under the NAJP

Under the terms of the NAJP, CLCs are contractually obliged to provide services to clients belonging to prescribed priority groups. These contract terms go some way to recognise the disproportionate burden of legal need that often falls on members of marginalised groups, through colonisation, social and economic exclusion, and unaddressed inequalities and structural discrimination. Government systems and funding arrangements are beginning to recognise the real world complexity of identity and intersecting patterns of marginalisation, however more work needs to be done to properly fund services that are tailored to the needs of marginalised people.

Migrants, asylum seekers and refugees

Recommendation 4: Additional investment in targeted ongoing funding for Community Legal Centres to provide specialist and culturally safe legal assistance to migrants, asylum seekers and refugees in NSW, in addition to the required base funding increase.

Recent migrants, asylum seekers and refugees experience many systemic barriers to accessing justice, and without legal assistance can be at greater risk of workplace exploitation, domestic and family violence, and housing instability.

Immigration and refugee law are complex, specialist areas of law, and many publicly-funded and private legal services are unable to help refugees and asylum seekers. CLCs are often the only available option for these clients to come to for help to stay safe and well.

Funding for these services is inadequate to meet community need. Several rely significantly on fundraising and volunteers to keep their doors open. Commonwealth governments have been resistant to funding these services to supplement state government funding and donations.

Targeted funding to enable CLCs to meet the needs of recent migrants, asylum seekers and refugees should comprise components for specialist services, and for training for all centres to enable effective and safe service provision to this group.

LGBTIQ+ people

Recommendation 5: Targeted ongoing funding for specialist legal assistance to LGBTIQ+ people, in addition to the required CLC base funding increase.

Members of the LGBTIQ+ community face specific legal issues and significant unmet legal need. This was recognised for the first time in the NAJP by the formal designation of the LGBTIQ+ community as a priority group in the Agreement.

LGBTIQ+ legal services provide safe support for LGBTIQ+ people to resolve a wide range of everyday problems. Specialist legal help is provided in areas like:

- domestic, family and sexual violence;
- discrimination relating to employment and access to services;
- homophobic and transphobic violence and vilification;
- same sex parenting and family law;
- identification documentation amendments;
- online abuse and doxxing.

There is currently no service funded to provide LGBTIQ+-specific legal assistance in NSW. This is anomalous among the larger states – both Queensland and Victoria have dedicated specialist LGBTIQ+ CLCs.

The generalist metropolitan Inner City Legal Centre currently provides a statewide legal advice service for the LGBTIQ+ community. They receive no core funding to provide this specialist service, relying heavily on volunteer labour. According to ICLC, this funding situation ‘presents a significant barrier for LGBTQIA+ community members who reside outside of the Sydney metro area... LGBTQIA+ people residing in [regional, rural and remote] areas are at heightened risk of violence, discrimination, poverty, isolation and suicide.’

ICLC recently published a comprehensive report, ‘A Blueprint for Equality: Resourcing LGBTQIA+ Legal Centres’, which makes clear the need and the pathway forward for long-term investment in legal assistance for the LGBTIQ+ community across Australia.⁹ CLCNSW supports implementing the report’s recommendations in full.

⁹ Inner City Legal Centre, 2025, [A Blueprint for Equality: Resourcing LGBTQIA+ Legal Centres](#)

Specialist LGBTIQ+ centres build the entire sector's capacity to appropriately support LGBTIQ+ clients and are well-placed to provide expert input into laws, policies, plans and procedures that relate to the LGBTIQ+ community.

It is also important that all legal assistance providers are equipped to meet the needs of LGBTIQ+ people. All CLCs should be resourced to work with the specialist centre to provide staff and volunteer training to ensure service provision to this group is effective and safe across the board.

Ensuring support for specialists working with diverse priority group clients

Throughout this submission we refer to the NAJP's designation of priority client groups. It's essential for governments to recognise that social groups do not exist in silos. Community legal practices whose specialisation defies easy categorisation must be properly resourced to deliver services. The impact of intersecting forms of marginalisation and disadvantage on the legal needs of many legal assistance sector clients, should be understood and reflected in how governments fund CLCs. In our view, the uniqueness of specialist service provision can result in practices being overlooked by governments in funding decisions across departments.

Case study 1 - HIV/AIDS Legal Centre (HALC)

HALC provides legal assistance to a diverse client base that includes people who belong to formal priority populations - LGBTIQ+ people, migrants, asylum seekers and refugees, and people experiencing domestic and family violence. HALC's clients have unique legal needs, influenced by the different forms of marginalisation and legal and personal risk experienced by people living with HIV and/or hepatitis. People who experience marginalisation and/or discrimination on the basis of a medical diagnosis, such as people living with HIV and/or hepatitis, are not considered priority populations under the NAJP.

HALC operates on a budget of less than \$1 million, necessitating an unfair reliance on volunteers and jeopardising the future of a highly-regarded service. The high regard in which HALC is held is reflected in Commonwealth, state and territory governments' reliance on their expertise in law reform consultations, particularly in public health and legal policy.

Case study 2 - Youth Law Australia

Youth Law Australia provides generalist legal advice, assistance and referrals to people under 25 across Australia, and a highly specialised Young Workers' Rights Service to clients under 25 in NSW, the NT and ACT. Despite providing these services to young people in NSW, Youth Law does not receive

resources from the NSW government to provide legal assistance. While young people are not a priority cohort under the NAJP, many young clients belong to priority client groups. Like HALC, YLA is often called upon by the government to advise on law reform.

Disaster & emergency response support

Recommendation 6: Ensure robust protocols for swift dispersal of funds in the event of emergencies and natural disasters.

Alongside their physical and psychological impacts, disasters can also throw up serious legal issues, which escalate quickly if not addressed. These can include problems with:

- insurance claims;
- housing and tenancies;
- income and social security (including disaster relief payments);
- credit and debt;
- family violence and family law;
- destroyed documents and wills.

Community Legal Centres across NSW are at the forefront of local responses to emergencies such as bushfires and floods, working with allied services to coordinate legal help for people in the worst affected areas. Legal advice for people affected by natural disasters and experiencing issues like these is a critical part of response and recovery efforts. Our sector coordinates through our network structure to ensure back-up legal assistance will be available to clients regardless of the situation.

Disaster recovery is unique to the affected place and is an ongoing process that can take years. Time-limited, one-off funding is not sufficient to manage the needs of a community rocked by disaster. Disasters have a high likelihood of increasing complex disadvantage over the long term, particularly in rural, remote and very remote areas.

CLCs based in disaster-affected regions reported increased and sustained presentations of clients experiencing:

- complex or compounded disadvantage;
- elevated risk of homelessness when fleeing domestic and family violence;
- crisis-level lack of housing and temporary accommodation;
- physical and sexual violence;
- being turned away from police without help to get an ADVO.

This results in increased demand for services responding to domestic and family violence, financial hardship and housing stress in the short and long term.

The NSW government needs to work with the sector to implement strong, sustainable protocols for swift dispersal of funds during emergencies so services are able to scale up and meet increased, persistent demand in communities in crisis. As the climate crisis intensifies and natural disasters become more common, there is a clear and pressing need to put effective protocols and plans in place.

Peak body funding

Recommendation 7: Funding for the peak body, CLCNSW, of \$2m per annum.

Adequately funding the peak body for CLCs is not just an investment in a single entity, but rather an enhancement of the effectiveness and impact of the CLC sector. Increasing funding to CLCNSW will enable us to better support our members and continue to leverage the on-the-ground expertise of CLCs to work towards a fairer, safer NSW.

CLCNSW plays a vital role in coordinating the efforts and resources of individual CLCs. We provide a unified platform for Centres to collaborate, share insights, and align their activities, avoiding duplication of efforts and maximising the sector's impact.

By overseeing the issues of 41 Community Legal Centres, we identify emerging legal trends and areas of concern, connecting seemingly disparate issues and drawing attention to systemic issues. The importance of sector coordination, advocacy and law reform in addressing legal need cannot be overstated.

We are regularly called upon by the NSW and Commonwealth governments to participate in inquiries or provide feedback on pieces of law reform. CLCs and their peak are demonstrably an important part of government law and policy-making processes and should be funded appropriately to ensure that the government continues to benefit from the depth and breadth of our experience and expertise.