

6 February 2019

PO Box 158  
Oak Flats NSW 2529

P: (02) 4256 4333  
ABN 95 589 148 519

## Message to Community Service Organisations

This is an important year in the political future of our state and our nation. Having a state election and a federal election in the one year brings the opportunity to highlight to our future representatives and leaders the issues which are important to our members and to their clients and communities, and to seek their commitment to address these issues in meaningful ways.

The community services industry is at the vortex of a cataclysmic collision of reforms and direction changes at present. Last year marked a quarter of a century of service by Community Industry Group (Illawarra Forum) to community organisations and the communities they serve, and our inception occurred at just such a moment.

There is no doubt that our members are feeling the squeeze as government tries to make them increase outputs, or target new client groups, or add more geographical areas within existing funding pools.

Governments are telling community organisations they have to deliver more within the existing budget. But we cannot accept that there is no more money for human/community service delivery when both NSW and Federal government are delivering budgetary surpluses. We call on our candidates to direct the resources that are needed to address critical issues in our communities.

As community service providers, we see the impacts on the community. Budget surpluses are being paid for by the 1 in 8 Australians who make a choice between eating and paying bills, or at the cost of the 1 in 6 children who live in poverty. We believe the money is there, and we call on government to use it to improve outcomes for vulnerable individuals, families, and communities.

We also need to alert our political representatives that government policies which focus on competition and contestability are having negative impacts within a sector which has always been eager to collaborate, partner, and maximise outcomes by working together. We must continue to advocate that you can't apply free market theory to human service delivery.

The bottom line is we have to stop transactionalising support services, because markets don't look after vulnerable people needing support or care. The evidence is available in sectors like vocational education where deregulation and transactionalisation led to unscrupulous providers enrolling vulnerable people in courses they could neither afford, nor would lead them to jobs.

Community Industry Group does agree that services should be delivered cost-effectively, but we also know that most not for profit organisations would be able to teach a Masters degree in cost-effectiveness and delivering most on tiny budgets.

The reality is that, in human and community services, competition:

- erodes trust and collaboration amongst providers
- discourages providers from sharing information
- discourages coordinated advocacy to achieve positive change
- diminishes the existing focus on early intervention and prevention.

Diversity is important in our sector and we cannot let our small providers be squeezed out by a move to collapse contracts into larger programs. The business sector values small business for its role in employing locals, for knowing its community, and for offering niche services. We need to recognise the same value for our small community organisations. We need a rich and diverse community service sector which values large, medium and small providers – just like the business sector.

So, our message to our candidates is:

- **People have a right to high quality human services** wherever they live and whatever their income.
- **Competition cannot be assumed to improve the quality of service** delivery or efficiency.
- **Government has a responsibility to understand the services they fund**, as well as their impact. They need to value the strengths of community-based non-profit providers.
- **Reforms should facilitate cooperation** and responsiveness to users and communities.
- **Services must be affordable to all** who require them and free for those who cannot afford to pay.<sup>1</sup>

And while Community Services may not be the major contributor to gross regional product as a sector, we provide a high proportion of local jobs which generate local spending. More importantly we are vital to gross regional success, to gross regional achievement, and to gross regional happiness.

**Nicky Sloan**

**CEO**  
**Community Industry Group**

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<sup>1</sup> Smith, R. & Merrett, A. (2018) *Competition policy & human services* (Commissioned and edited by the Australian Council of Social Service (ACOSS) and CHOICE)