



Centre for Australian Community
Organisations and Management
CACOM

WORKING PAPER SERIES

No. 78

**Advocacy in the Age of Compacts:
Regulating Government-Community
Sector Relations in Australia**

**John Casey,
Baruch College, City University Of
New York, USA
Bronwen Dalton,
University of Technology, Sydney,
Australia
Jenny Onyx,
University of Technology, Sydney,
Australia
Rose Melville,
University Of Queensland, Australia**

February 2008

DO NOT
REPRODUCE
WITHOUT THE
PERMISSION OF
THE AUTHORS

**Advocacy in the Age of Compacts:
Regulating Government-Community Sector Relations
in Australia**

John Casey
Bronwen Dalton
Jenny Onyx
Rose Melville

CACOM WORKING PAPER No 78

ISBN 978-0-9804957-1-3

CENTRE FOR AUSTRALIAN COMMUNITY ORGANISATIONS AND MANAGEMENT (CACOM)

Community organisations are the product of group or community initiatives. They are formed to provide services to their members or to a wider public. Community organisations are particularly active in providing community services, health, housing, culture and recreation, education and training, finance, religion and in the organised representation of interests.

Community organisations are not run to make a profit for owners or shareholders and are not under the formal control of government. As a class they differ in important ways from both for-profit and government organisations. They differ in the ways they are governed, in the variety of their sources of income and in their frequent reliance on volunteers.

It is the mission of the Centre for Australian Community Organisations and Management (CACOM) to strengthen the Australian community sector and its management through research, management training and publication.

Among CACOM's objectives are:

to promote a better understanding of the Australian community sector by undertaking and publicising basic research on its size, its resources, its management practices, its history and its relations with government and other sectors of the economy; and,

to provide an information resource by collecting and disseminating research and other information vital to the community sector.

To this end CACOM sponsors a Working Paper Series.

Generally, CACOM Working Papers will publish research undertaken by CACOM members or encouraged by CACOM. The aim is to make the results of research widely available as quickly as possible to encourage discussion. In some cases, the research reported in a working paper will be further refined for refereed publication.

Working papers are available to academics, researchers, community sector managers, public servants and others who are interested in better understanding the Australian community sector.

If you wish to comment on this paper or seek further details of CACOM's activities and publications, write to:

The Director
Centre for Australian Community
Organisations and Management (CACOM)
University of Technology, Sydney
Kuring-gai Campus
P O Box 222
Lindfield NSW 2070 Australia

Phone: (02) 9514 5104

Fax: (02) 9514 5583

Email: cacom@uts.edu.au

Advocacy in the Age of Compacts: Regulating Government-Community Sector Relations in Australia¹

Authors²

John Casey, Baruch College, City University of New York, USA
Bronwen Dalton, University of Technology, Sydney, Australia
Jenny Onxy, University of Technology, Sydney, Australia
Rose Melville, University of Queensland, Australia

Abstract

In recent years, governments around the world have signed new framework agreements with community and voluntary sector organisations. These agreements, commonly known as *compacts*, specify the rules of engagement for a wide array of collaborations and relationships. This review examines the history of compact development in Australia. The conclusion to this paper is presented as an analysis of lessons learnt and speculation about future compact development.

¹ The research for this Working Paper was funded by Australian Research Council (ARC) Linkage Grant: LP0667785: *Advocacy in the age of compacts: Strengthening the policy development dimension of partnership agreements between government and community organisations*. The ARC grant was awarded to a research team from two universities -- University of Technology, Sydney and University of Queensland -- and two industry partners -- New South Wales Council of Social Services (NCOSS) and Public Interest Advocacy Centre (PIAC).

² Author contact: John Casey casey2067@gmail.com

Introduction

In recent years, governments across the world have sought to define and formalise their relations with the array of non-profit, voluntary and community-based organisations which make up the community sector. In some jurisdictions this has led to the development of written agreements, most commonly known as *compacts*, between governments and the community sector. In Australia, some form of written agreements have recently been signed in the Australian Capital Territory (ACT), New South Wales (NSW), Northern Territory (NT), Queensland (QLD), South Australia (SA), Tasmania (TAS), and Victoria (VIC). Western Australia is considering a compact arrangement.

The purpose of this paper is to provide a national context to the development of compacts in the different Australian jurisdictions by examining their current status in each state and in the federal government. The authors are part of a research project funded by the Australian Research Council (ARC) that is evaluating how Australian compacts are shaping the future evolution of policy input by the community sector, so the primary focus of this paper is on the advocacy role of community sector organisations (CSOs) and how compacts seek to regulate this role. The research project seeks to assess the changing context of policy development under the emerging regime of compacts and to explore how the varying processes of state-level compacts in Australia alter the effectiveness, strategies and opportunities for CSOs engaging in advocacy.

The paper documents the advent of compacts in Australian states, territories and the federal government. The emphasis is on the historical narrative of the processes which have led to the development of the compacts and on the documentation of the provisions for advocacy contained in the written documents. Elsewhere we have analysed the emergence of compacts as instruments of the new governance regimes (Casey and Dalton 2006³), and while some further analysis inevitably emerges from any account of the development of compacts, it is important to emphasise that the primary motive in this paper is to provide an inventory of compact documents and the language they use to frame discourse on the advocacy relationships of the signatories. A complementary paper, *Advocacy in the Age of Compacts: Regulating Government-Community Sector Relations – International Experiences*, examines compacts overseas and similar documents involving supranational institutions.⁴

Definitions

The following definitions are used for the key terms in this paper:

*Compact*⁵ is the generic term for written protocols or agreements that seek to regulate the cooperative relationship between governments and the community sector. Compacts aim to strengthen the relationships between the sectors for their mutual benefit and improve services to the public. They constitute an explicit recognition of the key role that community organisations play in contemporary society. Compact became the term of choice in the UK where such protocols were first widely adopted and it has become the most commonly used descriptor for them. At the same time other terms such as *accord*, *agreement*, *charter*, *concordat*, *cooperation program*, *framework*, *memorandum*, *partnership* and *strategy* are also used throughout the world to describe formal government-nongovernment protocols.

³ Earlier versions of sections of this paper have appeared in Casey and Dalton (2006).

⁴ All documents related to the ARC-funded research project *Advocacy in the Age of Compacts* are available free on the project website.

⁵ The word *compact* will be written with lower case in this article, except where it refers to the formal name of a specific document.

Supranational entities use terms such as *consultative status* (UN) and *quadrilogue* (European Commission) to describe similar arrangements.

Debates about compacts and the new frameworks for participation they create are embedded in wider discussions of the evolution of *New Public Management* and *governance* approaches to the management of public goods and services. Reform and partnership agendas under these approaches include a broad range of dynamics and processes, of which compacts are just one example (for a more in-depth discussion of the emergence of compacts in the broader socio-political context, see Osborne and McLaughlin 2002, Casey and Dalton 2006). Compacts are distinguished from other government-community sector partnerships and collaborations by their sector-wide focus and by their inclusion of a broad range of interactions between signatories.⁶ Within governance debates, compacts can be seen as a part of a mutual obligation approach to partnerships and accountability (Brown and Jagadananda 2006).

Community sector organisations (CSOs) and the community sector refers to nongovernment, nonprofit organisations, usually administered by a volunteer management committee, working to deliver human services or to represent the interests of a specified constituency in regard to such services. The community sector is non-institutional (i.e. it does not include large nonprofit institutions such as hospitals, art galleries, universities, unions etc.) and provides an array of social, cultural, recreation, health and education services, or may specialise in a particular segment of the community such as aged, youth, or those with disabilities. The sector is predominantly made up of smaller organisations delivering services locally, although there are also a few large, Australia-wide CSOs which may dominate a particular area of service. The sector also includes numerous peak organisations that represent member organisations, and most CSOs are members of their state Council of Social Service (COSS) or other sector-wide organisations such as the NSW Federation of Nongovernment Organisations (FONGA). CSOs compete with public sector institutions and for-profit organisations for market share, funding and subsidies.

The term CSO is used in this paper because of its widespread usage in Australia, and because the primary focus of Australian compacts has been relations between governments and these small nonprofit human services organisations. In other countries, terms such as *voluntary*, *nonprofit (or not-for-profit)*, *nongovernment organisations (NGOs)*, *associations*, *civil society* and *third sector*, are used to describe the nongovernment signatories to compacts. These terms are not fully equivalent to CSO as they encompass a wider variety of organisations, but they will also be used in this paper where appropriate to the context of the country, region or institution being discussed. While the broadest terms such as *civil society* and *third sector* may be used to describe compact partners in some jurisdictions, the primary focus is almost always on those organisations that are funded by governments or private donors to provide the range of services provided by the Australian CSOs. Nonprofit and voluntary organisations outside this ambit generally have less involvement in compact processes, unless they involve negotiations over possible changes to regulatory frameworks or tax structures.

Advocacy is defined as active interventions by CSOs, on behalf of the interests they represent, that have the explicit goal of influencing public policy or the decisions of any institutional

⁶ The compacts discussed in this paper should also be distinguished from other commonly known compacts that impact on the community sector, such as the UN Global Compact for responsible corporate citizenship (see: <http://www.unglobalcompact.org/AboutTheGC/index.html>), and the Millennium Development Compact for addressing poverty in developing countries (see: <http://www.unmillenniumproject.org/documents/MillenniumDevelopmentCompact.pdf>). They are also separate from legislation regulating the establishment and operation of nonprofit and nongovernment organisations in any jurisdiction. For an excellent guide to such legislation, see USIG (2007).

elite (Casey and Dalton 2006, Onyx and Dalton 2006, Salamon 2002).⁷ These activities may be high profile and openly political acts, or they may be low profile, more discrete processes of influence; they may be aimed directly at the decision makers, or they may be aimed at influencing by proxy through public opinion or voter intentions. Analogous terms such as *activism, advising, campaigning, commenting, consulting, dialogue, engagement, feedback, giving voice, influencing, input, lobbying, negotiation, participation, and promoting improvements* are also used to describe the direct influencing processes, while terms such as *educating, disseminating* and *informing* are used for indirect processes. While there are differences in meanings of all these terms, they are often used interchangeably and there are variations in their usage between different jurisdictions and interest areas. The terms used to describe any of these activities are often more the result of which labels sit comfortably with the participants involved than any strict academic definition.

There are CSOs, such as peak organisations, that focus much of their work on advocacy, while others have advocacy as a minor or incidental activity. Many CSOs declare that they don't engage in advocacy, and studiously maintain an appearance of being 'non-political', but an analysis of their activities often indicates that they in fact do seek to influence the direction of policy and program delivery. Conversely, some organisations may wish to be associated with what they perceive to be the positive connotations of the term advocacy -- and thereby convey to members and others that their group is about changing attitudes, influencing policies etc. -- yet they often may devote few resources to externally focussed activity.

Australian Compacts

In the last few years, Australian state and territory governments have been developing written protocols to regulate government-community sector relations, including those related to the participation of CSOs in policy development, with the stated aim of stimulating a significant cultural shift towards stronger mutually collaborative relationships. These protocols, which have variously been termed *compacts, agreements* or *partnerships*, appear to follow the lead of the Compact in England and the Accord in Canada.⁸

The newly elected Australian federal Labor government has yet to fully commit to a corresponding national process.⁹ In part this reflects the traditional responsibility of state governments in delivering human services. At the same time, some argue that the recently ousted federal Liberal government sought to constrain the operating and advocacy capacities of CSOs instead of embracing them (Maddison and Denniss 2005). Despite some tentative steps by the new federal government to strengthen relationships between federal departments and CSOs, it is likely that in the immediate future state-level compacts will remain the only such written agreements between governments and CSOs in Australia. Table 1 indicates the current status of the state/territory compacts:

⁷ This paper addresses only 'systemic' advocacy aimed at decision-making by institutions and elites. Some organisations also work with 'individual' advocacy aimed at assisting people in achieving desired individual outcomes. For a more complete discussion of the relationship between individual and systemic advocacy, see the paper Dalton et al. (2007). *The relationship between individual and systemic advocacy in Australian Communities Service Organisations: a source of legitimacy?* Paper presented at UTS Conference on Cosmopolitan Civil Societies, 4 - 5 October 2007, University of Technology, Sydney, Australia (available from the *Advocacy in the Age of Compacts* website).

⁸ For details about the development of compacts in England/UK, Canada and other countries, see the complementary paper, *Advocacy in the Age of Compacts: Regulating Government-Community Sector Relations – Overseas Experiences*, which can found on the *Advocacy in the Age of Compacts* website.

⁹ See note on the election of the Labor government in section below on the Federal Government.

Table 1: Current status of Compacts:

State	Compact	Govt. Partners	Status
Vic.	Partnership in Practice. Partnership Agreement between Department of Human Services and the Health, Housing and Community Sector http://www.dhs.vic.gov.au/pdpd/partnership/downloads/final_partnership_agreement_05-08.pdf	Department of Human Services.	Second agreement signed in Nov. 2005, replacing 2002 document.
NSW	Working Together For NSW An Agreement Between the NSW Government and NSW Non Government Human Services Organisations http://www.ncoss.org.au/hot/compact/download/wtfnsw-final-nov2004.pdf	Whole of government.	Launched June 2006. NSW government's Human Services CEOs and Forum of Non Government Agencies (FONGA) will set up joint reference group to monitor the implementation of the compact.
QLD	A Statement of Partnership Between Government and community Services http://www.communities.qld.gov.au/department/funding/resources/documents/pdf/stdconditionsfund_com.pdf (Note: See pg. 10 of Statement) QLD Community Sector Charter http://www.qcoss.org.au/upload/658_Charter%20August%202007.pdf	Department of Communities. No government partner.	Document (only two pages long) dated April 2000. August 2007. Charter issued by broad coalition of community sector organisations.
NT	Common Cause Commitments in relationships between the NT Government and community sector (See info at: http://www.ntcoss.org.au/webpage/policy/list-pp-peaks.shtml)	Whole of government.	Implemented 2005.
WA	Industry Plan for the Non-Government Human Services Sector (June 2004). http://www.dpc.wa.gov.au/psmd/pubs/psrd/socialpolicy/planInternalsindd.pdf	Whole of government via DPAC.	Represents initial work of joint govt-non-government Industry Plan Working Group.
SA	Common Ground Agreement http://www.familiesandcommunities.sa.gov.au/Library/Portals/0/finalcommonground.pdf Advancing The Community Together: A Partnership between the Volunteer Sector and the South Australian Government http://www.ofv.sa.gov.au/partnership.htm#overview	Department of Health and Department of Families and Communities. Office for Volunteers.	New version signed 2005, replaced 2004 Version. Signed in 2003. Annual reports on agreement tabled in Parliament. Major review "Creating The Future Together" released 2006 http://www.ofv.sa.gov.au/pdfs/CreatingTheFuture.pdf Also: "Advancing the Community Together Partnership Review Report 2005" http://www.ofv.sa.gov.au/pdfs/ACT%20REVIEW%20REPORT%20FINAL%20-%208%20August%202006.pdf
ACT	<i>The Social Compact: A Partnership between the Community Sector and the ACT Government</i> http://www.dhcs.act.gov.au/engagement/publications.htm Click on social compact or the engagement manual	Whole of government.	Signed 2004
Tasmania	Volunteering Partnership (chiefly designed to nurture volunteering). Development of an industry wide plan proposed but not developed. http://www.dpac.tas.gov.au/divisions/policy/partnerships/index.html Select agreement PDF	Whole of government, driven by DPAC.	Signed 2003 Was subject of 2004 review report.

It is important to note that there is some debate about whether these state-level agreements are in fact compacts. If compacts are defined only as national-level documents that establish

relationships with the whole of the nonprofit sector then the Australian documents -- which are state-based and generally address only relationships between human services CSOs and the government departments that have direct contact with them -- may not qualify. However, our review of overseas compacts (*Advocacy in the Age of Compacts: Regulating Government-Community Sector Relations – International Experiences*) demonstrates that there is considerable variation around the world in the scope of such agreements. Moreover, this paper demonstrates that the principles and content of the Australian documents cover much of the same ground as compacts overseas. The following sections of this review outline the development of the state/territory compacts:

Victoria

In November 2005, a *Partnership Agreement* was signed between the Victorian Department of Human Services (VDHS) and two peak organisations, the Victorian Council of Social Services (VCOSS) and the Victorian Health Care Association (VHCA), representing the health, housing and community services organisations that endorsed the agreement. This agreement replaced an earlier agreement that had been in place since first negotiated in 2002.

The language of the *Partnership Agreement* emphasises shared vision, values and goals between the Department and the sector as represented by VCOSS and VHCA. From the first paragraph, the document acknowledges both the independence of the third sector organisations party to the agreement, while emphasising that the agreement is with organisations funded by the Department. The key theme of the agreement is the clarification of the working relationships between government and the community sector representatives. Despite the emphasis on mutual recognition and common values in the pursuit of ‘service outcomes’, this is a relationship in which the VDHS is both the executor of legislation and government policy and sole customer of “the independent service delivery organisations which it funds” (p. 1). According to a study by the Australian Council of Social Service, state and federal governments provides up to 80% of community sector funding in Victoria (ACOSS, 2006).

The text of the Victorian partnership agreement is largely concerned with principles for the management of public goods and services, and appears to be primarily about clarifying the nature of the funding relationship between the Department and the specific community sector organisations it funds.

The choice of the term ‘partnership’ as the title for the Victorian document implies a voluntary and equal cooperative relationship. This is expressed throughout the document in terms of normative commitments to collaboration and consultation given the aim of the state government and the community sector to creating a ‘fairer’ society and working to eliminate ‘disadvantage’. Equality of power and equivalence of purpose is emphasised through continual use of the word ‘we’: (e.g. “we are committed”, “we acknowledge”; “we will be accountable” etc). Much of the document focuses on practical, bureaucratic and administrative questions to do with the co-ordination and even integration of the sector through ‘human service delivery’ contracts into an extension of the state’s welfare apparatus. Thus emphasis is placed on the need for transparent accounting of funds, the stability of budgetary cycles and the need for clear communication of expected outcomes and results. The following passage is exemplary:

“The independence of the majority of the health, housing and community service organisations as legal entities is recognised. However, the constraints that apply in the case of publicly owned health service agencies are acknowledged. Funded organisations are agencies of government only to the degree that they deliver services in accordance with funding and service agreements. Therefore in order for health,

housing and community service organisations to deliver best standards of services and meet their obligations to the Victorian community for duty of care, the highest possible standards of governance must apply.” (p. 6)

While the administrative obligations required of CSOs funded by the department are outlined, there is no legal obligation on the part of the state to accept policy recommendations, and no specific instrument to ensure the sector is satisfied it has had meaningful input into policy.

“The Department of Human Services will...work actively with and involve the health, housing and community sector in planning, policy development, program development, research, innovation and evaluation to ensure that these processes work for the community and to use the expertise and knowledge of the health, housing and community sector.”
(p. 9)

The VDHS conducted a survey of the community sector in 2003, soon after the implementation of the *Partnership*, and then conducted a follow-up survey in 2005 (VDHS 2005a, 2005b). The follow-up survey indicated that while overall satisfaction among the community sector of the relationship with VDHS appeared to remain steady, in questions on specific behaviours by VDHS, such as transparency, communication and integrity, the community sector appeared to have rated VDHS higher in 2005 than in 2003 (VDHS 2005a, 2005b). A specific question on consultation was not asked in 2003, but in the 2005 survey 63% of respondents were satisfied with VDHS consultation processes, 18% were dissatisfied and some 20% were neutral in their opinion (VDHS 2005b).

While the VDHS *Partnership Agreement* appears to be working well to strengthen relationships between that agency and CSOs, it should be noted that the Victorian Government also has a Department of Planning and Community Development (DPCD) which administers a range of grants designed to strengthen communities. While DPCD has a number of partnership documents -- covering grants for transport, schools and other funding areas -- it is not a signatory to the VDHS *Partnership Agreement*, and presumably CSOs that receive funding from both agencies must work under the separate rules and guidelines of the two agencies.

New South Wales¹⁰

In June 2006, the NSW government and the Forum of Non-Government Agencies (FONGA) jointly launched *Working Together for NSW: An Agreement between the NSW Government and the NSW Non-government Human Services Organisations*. *Working Together* specified the shared goals, values and principles of the interdependent relationship between the NSW government and the community sector. This agreement was the result of a ten year ‘gestation period’ of negotiation between the government and the organised community sector. The first documented reference to the need for such an agreement dates back to April 1996, when the issue was first discussed at a FONGA meeting. Call for a compact originated in community sector peak bodies in response to concerns regarding the introduction of competitive tendering policies, which generated mistrust and low morale within the sector.

Whether or not the agreement will prove to be an ‘opportunity to increase positive results’ (a quote from one of the interviewees of this project) by establishing an effective and co-

¹⁰ For a more complete account of the development of the NSW Working Together agreement see: Casey et al. 2007 *Advocacy in the Age of Compacts: A Case Study on the Long Gestation of Working Together for NSW*. Available on the Advocacy in the Age of Compacts website:

operative relationship in the ‘delivery of human services’ between government and the community sector remains to be seen; the long period of discussion has produced a document which seems to quite directly treat the question of the relationship between funding, advocacy, and role of CSO’s in relation to state institutions. Earlier interview research with community sector workers indicates that the compact’s clarification of expectations, roles and responsibilities is one of the most unambiguously positive aspects of the compact (Rawsthorne & Christian, 2005 p.11). Whether or not the compacts process has or will lead to ‘real engagement’ between the sectors is a question beyond the scope of this review.

Perhaps reflecting the ten-year interaction with peak bodies and government bureaucrats in the drafting of the document is its mode of address. It is very much addressed to politically independent and professional organisations, in contrast with (for example) the South Australian compact which constructs the sector as a moral community of ‘individual volunteers’; or the Victorian compact which focuses on procedures to do with funding. *Working Together* is one of the few to use the term ‘advocacy’ to describe the political and economic role of CSOs in a pluralist democracy; the key role of non-government organisations within the context of the partnership agreement and more generally in society is cast as:

“Advocating in the interests of disadvantaged people and communities in policy and decision-making processes [...] Facilitating the participation of people and communities in policy and decision-making processes [...]” (p. 7).

This view is articulated more explicitly elsewhere in the document:

“Non-government organisations are also independent bodies that are free to pursue their goals, which may involve advocating for changes in Government policies and priorities. In this sense, there is a healthy tension inherent in the relationship between Government and the nongovernment sector. This Agreement has been formulated on the understanding that an independent, diverse non-government sector is an essential component of a democratic, socially-inclusive society.” (p. 5)

The NSW compact finishes by promising to establish a joint reference group with representatives from FONGA and the NSW government to monitor the implementation of the compact. At this stage such a group has not been convened to provide a formal report.

Working Together was launched in June 2006 with forewords by Bob Carr, the former Premier of NSW, and Gary Moore, the Director of NCOSS and the Chair of FONGA. Bob Carr had already resigned as Premier in 2005 and Gary Moore left NCOSS/FONGA a few months after the June 2006 launch. *Working Together* appears to have been left somewhat ‘orphaned’. While there are still occasional references to *Working Together* in discussions about the community sector in NSW¹¹, in general it is considered of limited relevance to the current situation. State government officials under the current premiership of Morris Iemma have indicated that they consider it to be something produced by the ‘previous government’ (even though Morris Iemma is the leader of the same Labor Party as Bob Carr), and instead focus on the document *A New Direction for NSW*. This document, a broad statement of the future intentions of the Iemma government known commonly as the *State Plan*, makes no mention of *Working Together* even though it was launched in November 2006 (i.e. just 5 months after *Working Together*). The *State Plan* reflects a somewhat instrumental

¹¹ For example, NCOSS used *Working Together* as the framework for a developing a 2006 position statement on NSW funding for community services. See: *Working Together for NSW: Good Funding Policy and Practice*: <http://www.ncoss.org.au/hot/compact/Working-Together-good-funding-jul06.pdf>

view of community organisations, mentioning them primarily in the context of delivering state services in partnership with NSW government. There is little acknowledgement of the independent operating capacity of community organisations, no mention of the support they need to do their work, and no policymaking role is attributed to them (although the *State Plan* does emphasise how much consultation took place and how much feedback was received from community organisations and citizens). Workers in the community sector have picked up this reality and it only serves to reinforce the general impression that *Working Together* is currently ‘toothless’.

It should be also noted that while *Working Together* was being negotiated other important initiatives related to CSO relations were being developed. For example in August 2006 the Department of Community Services (DOCS) released a *Funding Policy* outlining the broad direction for the department’s funding practices over the next five years. According to DOCS, “the policy was developed following consultation with the community services sector to ensure that the best possible services are purchased for children, young people and their families” (DOCS 2007). DOCS, however, makes no mention of *Working Together* and appears not to use it, even though it is the primary human services government agency in NSW and has extensive relationships with CSOs.¹²

Western Australia¹³

In June 2004, the Western Australian state Labor government of Geoff Gallup and state peak bodies signed a comprehensive document with the title *Industry Plan for the Non-Government Human Services Sector*, the result of negotiations that began in July 2003. The agreement was negotiated and signed between the Department of the Premier and Cabinet and five representatives of the community sector: the Western Australian Council of Services (WACOSS), the National Industry Association for Disability Services (ACROD, originally known as the Australian Council for Rehabilitation of the Disabled), the Health Consumers Council (HCC), the Ethnic Communities Council (ECCWA), and Indigenous Western Australians represented by Ted Wilkes. Interestingly, the text of the *Industry Plan’s Framework for Partnership* insists that it is “not a formalised partnership agreement or compact, such as has been developed in countries such as the United Kingdom or Canada, or in Australian states such as the ACT.” (p.12) Rather, the *Plan* sets out to establish agreed upon principles and protocols for consultation and cooperation between the sector and government, which are spoken of as mutual players in the ‘industry’ of human services delivery. While it is offered as a preliminary document that might be developed into a formal arrangement, the *Plan* institutes no new binding statutory or legal obligations, and remains open to CSOs as yet uncommitted to the industry plan.

In the opening pages of the document, these representatives express some optimism about a new era of collaboration and consultation between government and community with regard to social policy, with the comments of Ramdas Sankaran of the ECCWA being indicative of the hopes invested in the agreement:

“The *Plan* accords long overdue recognition of the community sector, which services the most disadvantaged members of our society. It addresses the adverse impact that unfettered competitive tendering, outsourcing etc have had on the community and

¹² A December 2007 search of the DOCS website (using Google restricted to the DOCS domain) found no reference to the NSW *Working Together* document.

¹³ The WA government and Local Governments also have a *Partnership Agreement on Consultation and Communication*. See:
<<http://www.dlgrd.wa.gov.au/Publications%5CDOCS%5CCommunicationAndConsultation.pdf>>

also facilitates more meaningful and effective partnerships within the sector and between the sector and the government.” (p. 4)

Indeed, in many places the document explicitly rejects the market-oriented model of the new public management, with policy being determined exclusively by government and service delivery accomplished by CSO contractors. Section 2, which lays out a framework for government–nongovernment partnerships, begins by asserting both the independence and interdependence of government and the third sector. It acknowledges the significance of the funding relationship, but downplays this aspect relative to the complementary roles played by both actors in broad social policy processes. Funding and service delivery issues are given lesser priority than the need to establish an effective working relationship through consultation processes and joint policy work.

The preferred emphasis on consultation and coproduction of policy is enough to set the *WA Plan* apart from (for example) the Victorian *Partnership Agreement*, which is very much concerned with the regulation of funding relationships. While the *WA Plan* contains detailed sections regarding governance, accountability and transparency, it continually returns to the theme of community empowerment in the form of contribution to the policy process.

While empirical research is needed to test the rhetoric of the document, it seems that WA human services sector organisations have secured some kind of commitment from the State government regarding a substantial role in the determination of policy relevant to their areas of expertise and concern.

“The WA Government will actively work with and involve the non-government sector in planning, policy development, and program development and evaluation. To this end the government will: seek and welcome the views of different groups in the community, including peak organisations and the distinctive needs of small and regional community groups; respect the right of Non-Government organisations to comment on and challenge the Government’s policies, priorities and programs; adopt a consultative approach that seeks early input in policy and planning processes and provides opportunities to respond when options have been developed.” (p.16)

It is tempting here to see “early input” and “opportunities to respond” as something less than the co-production of policy, merely nominal forms of ‘consultation’ which some critics of compact processes have argued to be merely top-down information sessions where government occasionally briefs the sector on what the government will do next. Whether such consultation is a significant move away from competitive tendering and toward the co-production of policy is a question that cannot of course be answered by simply reading the document. Assessing the effect of compact-style agreements upon advocacy is obviously impossible from merely reading the documents themselves, as statements such as this would seem to fit with the ambitions of civil society organisations to have a direct influence in shaping agenda’s for governmental action by close integration.

The goals of coordination, inclusion, collaboration and flexibility in the relationship between government and the community sector are laudable, but what form consultative ‘mechanisms’ would take are not clearly spelled out in the *Plan*. Although there is an ongoing commitment to the regular monitoring of its implementation, the commitment to consultation is of such all encompassing generality that judgment should be reserved until specific negotiations over specific policy areas with specific CSOs can be analysed. In the interim, it should be noted that decisions over budgets, funding and policy are ultimately government’s, thus even if the peak signatories of the *Plan* could be considered representative of the sector, the government

promises only to consult with the sector in good faith, not to act on its recommendations. The partnership is clearly not an equal one, although the *Plan* is certainly an in-principle affirmation of a pluralist conception of civic democracy.

South Australia

In South Australia there have been two parallel compact processes: one process known as *Common Ground* involves community sector organisations that work with the Department of Health and the Department for Family and Communities, and a second process known as *Advancing the Community Together* involves the 'volunteer sector' and the SA Office of Volunteers. Even though there are common signatories to the two documents -- most notably the South Australia Council of Social Service (SACOSS) -- they appear to be completely separate processes.¹⁴

Advancing the Community Together

Premier Mike Rann as Premier and Minister for Volunteers announced in 2002 that a 'compact' would be developed between the volunteer sector and the government in order to enhance open, transparent and collaborative action. To this end, working parties were established to consult with representatives of the community sector and to coordinate a whole-of-government response across the different agencies of government relevant to the sector. This resulted in the publication in May 2003 of an agreement entitled *Advancing the Community Together: A Partnership between the Volunteer Sector and the South Australian Government*, signed by the Premier and 29 member organisations of the Volunteer Ministerial Advisory Group (VMAG), chaired by the Premier's Parliamentary secretary Jennifer Rankine MP. The compact provides for a biennial review process to ensure implementation and to assess the success of administrative arrangements.

The four overall aims of *Advancing the Community Together* are to do with developing "a vision for the future of volunteering", to "acknowledge the value of volunteering", to "promote and facilitate volunteering" and also to establish a "framework for an ongoing partnership" (p. 4). It promises that meaningful consultation with the sector will precede policy:

"Advancing the Community Together is based on the following shared principles: Cooperation, consultation and support: each partner will operate in an open and constructive manner and respect the right of all people to question, challenge and contribute to the development of volunteer related policy. Information exchange, meaningful consultation and support will form the basis of the relationship with each other and with the wider community." (p. 4)

"The Government of South Australia has a responsibility to make decisions in the best interests of all South Australians while the Volunteer Sector has a responsibility to its stakeholders. Each partner reserves the right to express their views independently." (p. 5)

The latest formal report reviewing *Advancing the Community Together*, entitled *Creating the Future Together* (Government of South Australia 2006a) claims that through VMAG the

¹⁴ Neither of the two agreements mentions the other, either in the document itself or in online materials. The only SA government page/document that refers to both is a Department for Family and Communities webpage *People, Partnership and Communication* that in a listing of some 40 partnership documents has hyperlinks to both agreements (page; see <<http://www.familiesandcommunities.sa.gov.au/Default.aspx?tabid=856>>)

volunteer sector has acquired a “direct voice into government”. A preliminary report to the premier, *Working Well Together* (Government of South Australia 2006b) lists each of the concrete achievements of the compact with reference to the section of the compact document it fulfils. Here we find that the main priority being addressed with regard to ‘Policy and Legislation Development’ is the commitment to “identify and respond to issues which impede volunteering in general.” The end of this section of the document refers to the commitment in the compact to “consult with peak volunteering organisations when proposed legislation or policy has significant impact on volunteering.” To this end, the government announces its success through consulting and briefing VMAG on a review of grant application procedures, changes to legislation affecting the legal status of organisations and matters of insurance and liability for volunteer associations.

In another section of the report, there is a direct reference to the question of advocacy, in reference to a commitment made in the compact to “promote and acknowledge the contribution of volunteers in providing services, in advocating for necessary change...irrespective of whether they are working within an organisation, group or as individuals.” To this end, the SA government has conducted a promotional campaign of Community Service Announcements on television and radio (and with posters) highlighting the role of young people as volunteers.

*Common Ground*¹⁵

In 2005, a new *Common Ground* agreement was signed by the Minister for Health, the Minister for Families and Communities and the Chair of SACOSS. This agreement updated an earlier version of *Common Ground* that had been signed with the Minister responsible for the former mega-agency, the Department of Human Services (which had been dissolved in 2004 to form the two new agencies, the Department of Health and the Department for Families and Communities).

The *Common Ground* agreement was the culmination of a number of years of collaborations between the SA community sector and the government departments they dealt with. The participation of the community sector in a resource allocation project in 1998 to document the funding to community service organisations and to identify a framework for future funding allocations was part of an ongoing process to build the relationship with the sector. The project led to the production of a report *Working Together* and to continuing development of a memorandum of understanding between the funding departments and SACOSS. A change of government prevented the finalisation of that memorandum.

At the instigation of SACOSS, a working group (the Community Services Funding and Planning Working Group) was convened in April 2003 which included representatives of the Department of Human Service and SACOSS. This group continued to function after the 2004 restructure of Human Services to include representation from both of the newly formed departments, the Department of Health and the Department for Families and Communities. The terms of reference of the working group were:

- identify key issues in resource allocation practices;
- develop simpler and better arrangements for the funding and contracting of community services, including alternatives to tendering;
- establish principles and guidelines for the participation of service providers and peak bodies in the planning of programs and priorities for service development; and develop an explicit funding cycle for the range of funding programs administered by DFC/DoH and agreement on principles underpinning this cycle including transparency, timeliness and responsiveness.

¹⁵ Part of the history of the Common Ground Agreement has been adapted from Baulderstone (2007).

This group developed a planning and funding framework drawing on a Victorian model and developed a standard, 'plain English' form of service agreement. The framework included a reduced focus on competitive tendering processes and recognised the relevance of the community sector's role in service planning. It thus indicates a movement away from the purchaser-provider role dichotomy of the 1990s. Such a movement, at least on paper, has been confirmed by the development of *Common Ground*.

A prominent feature of *Common Ground* has been a commitment to the community sector's role in advocacy. The first of the 'Shared Principles' in the document states:

"The Departments and the Community Sector are committed to involving consumers and the community in policy development, service planning and governance. They acknowledge that certain population groups, particularly indigenous people, have special needs and may require specific decision-making and consultation strategies."

One of the signatories, Minister for Families and Communities Jay Weatherill, has stated publicly that as part of the agreement his department will continue to support the right of any agency to speak out but they ask that they receive warning to address any issues, and that any issues that are being brought into the public eye are informed by evidence rather than hearsay and conjecture (SACOSS 2007).

The other significant feature of *Common Ground* is a strong commitment to the ongoing management of the agreement. As part of the original agreement, a Human Services Peaks Forum was created which meets every two months and is comprised of senior executives from the Departments of Health and Families and Communities and senior representatives of the Peak Bodies that oversee the partnership. The responsibility of the Human Services Peaks Forum is to:

1. Provide a forum for open discussion of issues of concern to either or both of the parties.
2. Take initiatives that are designed to resolve key problems and achieve common objectives.
3. Establish funding frameworks, consultation protocols, dispute resolution mechanisms and other mechanisms and policies to ensure the partnership works effectively.
4. Monitor the implementation of all aspects of the partnership and provide reports to their respective stakeholders and managements.
5. Provide joint advice to the Ministers where all parties can reach agreement, or, where joint advice is not possible, ensure the advice of both parties are represented in the provision of advice to the Ministers.
6. Develop more specific agreements on issues such as funding and planning as required.

SACOSS and the Departments jointly chair the Forum and the Department for Families and Communities ensures that it is provided with adequate resources. Since its establishment, the Forum has succeeded in creating a *Master Agreement*, which is used as a contracting template by a number of SA government agencies. As part of the development of the *Master Agreement* controversial clauses regarding intellectual property and community sector advocacy were negotiated. There have also been a number of submissions from the Forum to Ministers regarding legislation on welfare issues and the community sector. Also, *Common Ground* is reviewed annually.

Queensland

As in other states, the late 1990s was a time in which movements toward the negotiation of a compact between the voluntary sector and state governments were occurring in Queensland. At the time of writing, however, negotiations toward a compact-style agreement between the Queensland Government and the community sector have not yet resulted in a cross-sector charter.

Initial work toward this was carried out by the Queensland Council of Social Services (QCOSS) and the Department of Communities. In April 2000, the Department of Communities published a statement of basic normative principles under the title *A Statement of Partnership between Government and Community Services*, which it indicated had been recognised by all parties as governing the relationship between CSOs and the state. One of the ten principles referred to the advocacy role of CSOs (QGDC, 2002):

“Independence and Autonomy: The role of community service providers in carrying out a range of activities outside those funded by State Government, includes the development of innovative service responses and the right, within the law, to publicly comment on or to challenge State Government policy and practice, and to lobby when necessary” (p. 10).

While this appears to be a commitment to safeguard the political independence of CSOs to publicly comment on and critique government policy, the right to pursue such activities seems to depend on them being “outside those funded by government” (QGDC, 2002, p. 11).

The *Statement of Partnership* does suggest the Department ought to “provide opportunities and support for community service providers, consumers and the community to be involved in research, data collection, development of policy and practice” (QGDC, 2002, p. 10), but does not specify how such consultation will or should occur.

In early 2005, Warren Pitt MP, the Minister for Communities, Disabilities Services and Seniors, announced a new initiative called the *Strengthening Non-Government Organisations Agenda*, which promised \$24 million in new funding to peak organisations representing the sector. In a joint statement issued by six of these peak bodies, the initiative was welcomed as marking “the first time for many years that the government has come out strongly supporting the significant role the non-government sector plays in service delivery in this state” although this praise was immediately qualified by noting the increased pressures placed upon the sector by increasing caseloads and the costs of the administrative systems required for compliance with legislation (QCOSS, 2005).

While expressing a willingness to work in partnership with the State, comments in the *Joint Statement* by QCOSS revealed underlying tensions with the Department:

“We do of course retain the right to speak out on issues which we believe the Strengthening NGOs agenda should address but hasn’t to date. You yourself have raised the issue of a fair price for service provision. This has not been addressed.” (p. 5).

It seems that relations between the community and the sector remain very much in the mode of service contracting, with government action largely focused on clarifying and regulating the funding relationship with no formal processes of consultation with the sector in place when determining policy.

In April 2006, draft legislation for the regulation of the community services was proposed by the Minister, with its key purpose to impose a coherent legal environment regarding accountability, outcome measurement, accounting and review for the funding of community services. Consultation with the sector regarding the content of the bill took the form of a four-week window of opportunity to comment on the draft bill, a situation hardly equivalent to the co-production of policy. One comment posted on the Queensland government website might be taken as indicative of the strained relations between government and the CSOs in the state, a tension centred on the question of consultation and the independent advocacy of the sector given its role as provider of welfare services:

“It is difficult to have any faith in these guiding principles' claims of ‘working together to meet common aims in a way that recognises each other’s autonomy, contributions and accountabilities’ and the ‘importance of taking account of the needs, views and interests of key stakeholders’, when this consultation process re: the draft Bill contradicts [sic] these statements. The draft Bill also appears to be centred around compliance, which also leaves little opportunity for working together” (Queensland Government 2007).

The Bill is currently adjourned for another reading and has not yet been passed by the Queensland parliament.

In August 2007 various state-wide services, peaks and networks published a *Community Services Sector Charter*. It is not a cross-sector agreement and is only signed by community sector organisations. The Charter is described as “a statement of who we are as a sector, what we stand for, and a shared vision of what we aim to achieve”. The *Charter* is the result of an 18 month process which included the *Creating a Future for our Sector* consultation held in 2007, a community sector roundtable in March 2007 and a workshop session at the QCOSS conference to seek feedback on a draft of the document. The document is intended to build a more unified community services sector by articulating a shared identity for the sector. The document also aims to provide a vehicle for community organisations across Queensland to assert a strong collective voice and thereby increase their influence on key issues of concern. The Charter will be used to communicate to other sectors of society (Government, business and the broader community) and to raise awareness of the vital role and invaluable contribution to society of the community sector.

The Charter is a statement of principles of the community sector, which include affirmation of the advocacy role. For example one of the principles is Independence. It is expressed in the following terms (p. 4):

We affirm the importance of our autonomy from government and commercial interests to maintain diverse voices and approaches within a democratic society.

- Our independence from government is one of our greatest strengths, and within this context we strive for mutually beneficial relationships with our government partners.
- We are united by our emphasis on people not profit, and believe that the community sector has a vital role in supporting and empowering the most vulnerable people and communities.

In describing the unique contribution of the sector, the Charter seeks to (p. 5):

Strengthening our collective influence on government and community

To more effectively advance a fair and just society, the community sector needs to increase its influence by developing a stronger, more united voice. We need to be able to present clear positions to government, business and the community on behalf of our sector and the people who access our services.

To achieve this, we will develop:

- mechanisms to prioritise issues of importance and develop shared positions on them through cross-sector engagement and robust interaction;
- strategies to gather credible information and evidence to inform our decisions and to support our positions;
- fluid participation and advocacy mechanisms, reflecting the diversity of our organisations and their users, to represent positions relating to smaller subgroups and particular issues;
- supporting peak organisations to represent constituent organisations;
- communication and marketing strategies and tools to help us present our messages effectively.

Northern Territory

Relations between Territorian community sector organisations and the NT government entered the era of compacts with development of an agreement called *Common Cause* in 2005. Reached through a consultative process involving several peak community councils and departments of the NT government, *Common Cause* is not a potentially binding legal instrument, but as its subtitle suggests, resembles other compacts in that it is a series of ‘commitments’ in relationships between the NT Government and community sector. The compact describes itself as a living document subject to change and development in tandem with the negotiated process of deepening consultation and integration between the public and community sectors. A private consulting firm and a joint reference group involving various peak bodies and government agencies drafted the agreement. Peak organisations represented in this process included the NT Council of Social Services, the Multicultural Council of NT, and the Aboriginal Medical Services Alliance of NT.

One key feature distinguishes the NT compact from others. There is a strong emphasis on improving relations with indigenous communities and strengthening the involvement in policy input of their organisations. This reflects the high proportion of Indigenous people that make up the population of the Territory, their chronic social and economic disadvantage, and also the long history of paternalistic, top-down governance and remote, centrally-determined welfare-state approaches experienced by Australian Aborigines. Indigenous organisations maintain a significant profile in the NT third sector, and the compact commits to recognising the legitimacy of Indigenous organisations as representative of their communities. While indigenous organisations are superficially mentioned in some of the other state compacts, the NT compact lays out extensive principles for addressing the complexity of Indigenous/settler relations given their historical legacy and political potency in a state where (for example) mining interests and discourses of national economic development have frequently overridden attempts of indigenes to exercise the limited forms of sovereignty achieved under various forms of land rights legislation.

Key points here are a commitment to develop protocols for relating with Indigenous communities that do not undermine customary law, traditional languages and structures of legitimacy and authority within those communities (i.e. by privileging the voices of educated

young English speakers over elder speakers of language). Thus the compact undertakes to respect the right of Indigenous communities to “develop governance structures and processes that blend contemporary governance practice with traditional values” (p.11). Many observers of Indigenous politics will note the controversy and difficulty surrounding such arrangements where conflicting interests are played out as conflicts between customary and *balanda* (White) systems of law.

A second unique feature of *Common Cause* is its emphasis on a mode of democracy embedded in community engagement and response to local conditions. Given the geographical remoteness of many communities, this commitment has taken the form of an effort to bring deliberative forums to the regions.

Common Cause makes extensive normative commitments regarding the role of CSOs as independent advocates and as agents of democratisation.

“Community organisations and groups are independent of government and have a right to hold and promote different views and priorities.” (p. 7)

This is spelled out in the section of the compact outlining goals underpinning areas of ‘common vision’.

“The voices of people who are most disadvantaged or marginalised are heard in planning and public policy processes.”

“Resource decisions in communities and regions are based on equity and need and the strategies are informed by those closest to the issues.”

With regard to the relationship between funding and advocacy as it relates to the co-production of policy, the NT compact is among the most explicit in de-linking funding arrangements from advocacy, with the Government undertaking a commitment to:

“[r]espect the right of community organisations to challenge government policy without fear of being penalised financially or otherwise.” (p. 8)

For its part, however, the community sector as represented by the signatories commits to:

“[u]ndertake advocacy and campaigning on issues in a way that allows for ongoing positive relationships between the government and the community sector.” (p. 8)

The outcomes of *Common Cause* are mixed. In its 2007 Budget Submission, NTCOSS noted that NTCOSS (2007, p. 39):

“The Government decided not to act on the recommendations of the *Common Cause* report pertaining to recognising and funding peak bodies in the NT community sector. This is very disappointing, as the blanket approach led to further cynicism in the sector regarding the Government’s purpose in establishing the consultancy in the first place.”

Tasmania

In May 2003, Premier Jim Bacon of the Tasmanian Labor government met with Roland Kenyon, the President of Volunteering Tasmania Inc. and signed a *Partnership Agreement*. Compared to other state compacts, Tasmania’s is the most formal (even legalistic) in tone and contains the most detailed sections relating to performance indicators and evaluative

mechanisms. It is also perhaps the least representative of the community sector (with only one peak body signing) and the least politically or socially ambitious. The Tasmanian agreement does not construct the government's 'partner' as a politically active group of NGOs, or a series of community-based 'human services organisations' or even as 'the community' but as a percentage (31%) of the adult population individually engaged in a number of hours per year of volunteer work. The aim of the *Agreement* is to "build the profile and the practice of volunteering in Tasmania" (p. 2); in practical terms, to increase the percentage of Tasmanians volunteering, and to improve the quantity, quality, efficiency and social recognition of unpaid volunteer work by resolving structural issues within the community sector and with regard to its relations with government. To this end, the agreement is concerned to develop 'benchmarks' for measuring the contribution of volunteers and establishing the targets for the *Partnership*, for example by estimating the dollar value of unpaid contributions to the economy.

Of five key objectives listed in the document, only the first falls within the ambit of this study: "[t]o improve the quality of management of volunteer activity within both the not-for-profit sector and the government" (p. 9). While the order of the five objectives need not indicate priority, it seems to attract the broadest statements regarding the need for an agreement, suggesting that the *Partnership Agreement* is a 'capacity building' exercise, to be achieved through facilitating the standardisation of the 'volunteering environment'. The issues cited as generating a need for improved 'quality of management' are listed as follows:

"Expectations of greater accountability, both from the perspective of volunteers and those who fund the organisations; ...[c]hanges in funding arrangements for volunteering organisations with an emphasis on competition and contestability; and ...[a] more litigious society and a changed, more expensive and unsupportive insurance environment." (p. 9)

The 'strategies' listed to resolve these issues effecting governance do not warrant detailed discussion, but contain references to 'appropriate standards' and 'models of good practice'.

In summary, this document makes no mention of the advocacy role of community organisations, contains no indication of the political character of government relations with the community sector, and makes no promises about the co-production of policy.

Australian Capital Territory

At twenty pages in length, the 2004 *The Social Compact: A Partnership between the Community Sector and the ACT Government* is perhaps the most comprehensive of the Australian compacts, and indeed visionary in its scope for a coming era in which there is community control of policy processes for the collective good of 'all people'. One anonymous commentator has gone so far as to refer to it (humorously) as a 'Leninist' document because of its visionary commitment to a future of direct substantive democracy and communitarian (???) political involvement.

"The long term vision is of an inclusive community that enables all people to participate and lead purposeful lives – a community that is concerned with the common good as well as the rights and achievements of individuals. The ACT community of the future will 'live out' and demonstrate its values of a fair go for all and respect for cultural diversity and difference. All people will have opportunities to achieve economic security, social relationships, quality of life and a healthy environment." (p. 6)

Introduced by the ACT's long-serving Chief Minister John Stanhope, the *Social Compact* includes endorsements from the heads of ACT Council of Social Services (ACTCOSS), Volunteering ACT, the Youth Coalition of ACT, the Council on the Ageing, the Disabled Peoples' Initiative, and the Health Care Consumers' Association. Like the majority of the compact agreements discussed in this review, the ACT *Social Compact* is not intended as a binding legal document. Whereas other compacts concentrate on principles guiding communicative and administrative relations between contracting parties (i.e. transparency, accountability etc.), the *Social Compact* is a guiding framework for government and the community sector in the joint development and implementation of government services. Where other compacts stress mutual obligations, the *Social Compact* sees the commitments outlined in the document as more pressing upon government than upon CSOs.

“For the community sector, these undertakings necessarily have a different status as there is no mechanism, nor is it possible, to enforce the undertakings as requirements or policy...The undertakings are not binding on these groups in any way. They are more like standards to be internalised over time in the way such groups operate.” (p. 11)

The ACT compact also seem to pre-empt the view that compact processes are likely to result in superficial, closed debate because of the high value placed on consensus building and the reality that government holds the strongest hand in any negotiation. Advocacy and dissent on behalf of CSOs are seen as inevitable and even desirable occurrences.

“[...] **some community** organisations at times may pursue their objectives without reference to government agencies. Further, community organisations and groups will at times necessarily disagree with government about the relative priority that should be given to different issues or how community needs are best addressed. They may be strident on behalf of their constituency or community in their opposition to government decisions and policy.” (p. 7)

In this respect, the *Social Compact* is the only compact document to contain a section that anticipates conflict and promises to develop a mechanism for the resolving differences where non-aligned mediation does not produce an outcome.

The document also promises to publish case studies “where the relationship is working well” and to develop and implement a Community Engagement Code of Practice to ensure a stronger, more cohesive relationship between the community and the government (p. 17).

Australian Federal Government

IMPORTANT NOTE. The following section on the Australian Federal Government has been superseded by the election of the Labor Government in November 2007.

The Labor Party's pre-election Social Inclusion Policy contained the following statement:

[T]he Howard Government has attacked both the right and capacity of community sector organisations to advocate and has rejected their contribution or role in public policy development or debate. The breakdown of the relationship between the community sector and government diminishes Australia's democracy but also undermines our capacity to effectively combat disadvantage.

Labor believes that policy must reflect a range of perspectives and be based on

evidence based outcomes, and rebuilding trust and reciprocity will form the foundation of a new relationship between a Federal Labor Government and the community sector. The consideration of the role of the community sector in a social inclusion agenda will also involve the restoration of the sector's right to advocate and participate actively in public debate. To this end, Labor will examine contracts between not for profit service providers and government with a view to removing clauses that constrain this advocacy role.

Furthermore, Labor will consult with the sector about whether such a compact, such as those that operate in Canada and the UK, could or should be developed in Australia, and what might be included in such a partnership.

After the election, Senator Ursula Stephens was appointed as Parliamentary Secretary for Social Inclusion and the Voluntary Sector.

In January, 2008 it was reported that Labour would rewrite government contracts with the community sector to delete clauses that were allegedly used by the Liberal government to restrict the advocacy activities. According to the Deputy Prime Minister, Julia Gillard, "There are clauses which require [community organisations] to give government their media releases before they issue them, require them to give government submissions and reports and campaigns and matters to do with launches prior to them doing them. "

We want to make sure the not-for-profit sector, the advocacy sector, can do what it does and have a say within the public domain," Ms. Gillard said. "We think it's important to a mature democracy that people who have got expertise in dealing with provision of services with disadvantaged groups in our society aren't constrained from entering the public debate."

While there have been some tentative moves toward establishing protocols to regulate relations between some peak bodies and federal government departments, there is no apparent momentum toward a formal national process equivalent to the compacts reached in England and Canada. According to some observers, relationships with the incumbent Liberal-National coalition government and the not-for-profit sector are characterised by outright distrust and suspicion (Melville 2001, Maddison and Denniss 2005, Barakeet 2006). Staples (2006) has argued that this situation has arisen from the government's commitment to public choice theory, a theory of democracy derived from neoclassical economics which ultimately rejects altruistic motives on the part of NGO actors. For public choice theorists, civil society advocacy amounts to a set of 'special interests' making excessive and 'unaccountable' claims on the national economy, and thus its exponents seeks to reverse the expansion of the third sector. When community level organisations are planting trees or caring for the disabled they are approved of because this agrees with the idea of small government, when they are actively engaged in public debate or critiquing government policy they are seen by conservative commentators as intruding on the activities of legitimately elected representatives. Maddison et al (2004) argue that the policy of the federal government toward the NGO sector amounts to a systematic attempt to silence dissent.

In 2003, the federal government issued a draft *Charities Bill* which proposed to narrow the legal definition by which donations to a whole range of nonprofit and civil society organisations were tax deductible. Of particular concern to community sector organisations was one clause which would disqualify organisations from obtaining charitable status if they seek to change the law or government policy or advocate a cause where such activities are more than ancillary or incidental to the main purpose of the organisation. This section of the Bill was widely opposed by the community sector, with 255 submissions received. For example, in its submission on the proposed Bill, Oxfam Community Aid Abroad argued that

such as a redefinition was inconsistent with contemporary understandings of the role of civil society in the role of policy development. In addition, Oxfam noted that disadvantage and poverty was widely linked to structural and macro-economic arrangements. To the extent that the main purpose of a charity is to alleviate poverty and disadvantage, their ability to advocate and lobby on policy was essential to and not separable from their core activities (Oxfam 2003). The government has since shelved the Bill, although a recent ruling by the Australian Tax Office has altered the tax-deductible status of wide range of NGOs, apparently partly accomplishing through bureaucratic fiat what the Charities Bill would have comprehensively achieved through legislation: an increased difficulty for NGOs to build funding streams independent of government. Many NGOs see such independence as crucial for public legitimacy and integrity as advocates.

New federal contracting and governance provisions have channelled community sector input through consultative processes and funding streams which appear to exclude dissenters, and there have been sustained attacks on the integrity of a range of nonprofit advocacy organisations, including CSOs, by conservative think tanks and commentators. McGuinness, for example, decries the “propaganda activities of [community services organisations] devoted to the destruction of capitalism” (McGuinness 2003). Mowbray (2003) identifies a number of right-leaning think tanks and libertarian journalists who he claims are waging a war on progressive nonprofits.

While many in the community service sector claim exclusion, those who would wage the war identified by Mowbray (2003) do so because they assert that CSOs are in fact too powerful and have been capturing policy agendas. Here the political divide between the conservative Liberal-National federal incumbency and the dominance of state government by Labour may come into play. Survey research of over 250 advocacy-oriented NGOs conducted by Maddison et al (2004), while confirming a pattern of perceived exclusion from policy debate by the Howard government among the majority of responders, also revealed that they are more likely to be supportive of current state government policies rather than those of previous state governments.

It must be acknowledged that the federal government works more with peak organisations or with larger CSOs that have a nationwide presence, and while there have not been compacts developed at a national level, the federal government continues to struggle with the issue of how best to structure its relations with the community services sector and other nongovernment organisations (Maddison and Denniss 2005). In late 2002, the Howard government provided seed funding to establish a new council for charities and other nonprofits, the Community Business Partnership Scheme. In 2003, new charity legislation was drafted in response to the government’s Inquiry into the Definition of Charities and Related Organisations, although the future of this Charity Bill is at present uncertain. Also, in July 2003, the Prime Minister's Community Business Partnership Scheme awarded a contract to the Melbourne-based Institute for Public Affairs to undertake research to develop a trial protocol for nongovernment organisations (IPA 2003). The federal government also promoted the establishment of new coordinating group of nongovernment organisation, the Nonprofit Roundtable.

The impact of possible differences in approaches between Liberal and Labor governments to the development of compacts is more difficult to determine. Maddison and Denniss (2005: 374) described relations between the Howard Government and nongovernment advocacy organisations as characterised by ‘at best, suspicion and, at worst, complete breakdown’, which they attribute to the government’s particular hostility to dissent. Yet, interviews with executives from three Councils of Social Services (pers. comms. August-September 2005) indicated that many state government actors also do not appear to fully support the compact processes and that their development at state level is very much a sign of a need to repair the

poor relationships that had become apparent in recent years. According to the Councils of Social Services, state-based compacts have emerged primarily as a result of the greater intensity of the interface between government and community sector at that level and that, given that such relationships are mediated by the bureaucracies, the political party in power may not make much of a difference. They commented that moves by the Coalition to create a new coordinating council and the mooted changes to tax laws appear to be contrary to the spirit of the compacts being developed at state levels, but also that in some areas the Coalition has been seen as fostering positive dialogue with CSOs and peak organisations.

In the light of these responses it not clear that the development of written state-level agreements in Australia by Labor-led governments was the result of any deliberate policy by Labor to embrace CSOs. It may simply be an accident of electoral history that Labor governed in all Australian states when the influence of UK compacts and Canadian accords first hit our shores, and when the relationships created by NPM finally broke down to the point that a radical fix was needed. The metaphor of the arms of government embracing or constraining nongovernment advocacy offered by Maddison and Denniss (2005) may be evocative but it perhaps does not reflect the complexity of government-community sector relationships, which are mediated by ideologies, contractual obligations, structural divisions of responsibilities and legitimate questions about the representativeness of some CSOs.

Conclusion: Current Status and Future Directions

In 2001, Lyons (2001b) indicated that the right conditions did not exist in Australia for the development of compacts and in many ways the fact that the written agreements here have been so sector- and state-focused supports his assertions. But at the same time, the new written partnership agreements have in effect transferred the UK and Canada compact paradigms to Australia. The language used and the aspirations expressed in the documents outlined in this review clearly demonstrate that certain segments of the government and community sectors in Australia have sought to develop documents that do in fact recreate the same compact process that has been evident overseas (see the complementary paper, *Advocacy in the Age of Compacts: Regulating Government-Community Sector Relations – International Experiences*). This has occurred because of policy transfer and convergence with other industrialised democracies, but also because the same concerns over the negative impacts of the purchaser-provider model has been evident here and so the sectors have sought new collaborative processes to ameliorate them.

The policy transfer process has reflected the Australian political reality: state governments have more direct responsibilities for service delivery and so are more closely engaged with the community sector; Australia does not have the same centralised, national nongovernment coordinating structures as those in other countries so compact development has reflected the ‘federalisation’ of our community sector; state governments are Labor, and so have been more open to adopting models from UK and Canadian governments of the same political affinity.

While the new approaches to governance that have evolved in parallel to the extension of the community sector over the last decades have offered the promise of meaningful coproduction of public policy, CSO workers have also expressed frustration at what they perceive to be their increased marginalisation from policy making domains. Contracting and project-based funding have decoupled the policy and service roles and instead of providing CSOs with greater participation in both, may have led to a concentration of power over policy and services in government hands. While some argue that, because of the emerging governance regimes, it is ‘the best of times’ and CSOs have never been so central to policy making, others argue that it is ‘the worst of times’ and that they have never been so excluded. Some lament

that CSOs have no power, while others warn that they have too much and have hijacked public agendas.

The outcomes of the compact development process in Australia have been a mixed bag. In this review the following issues have emerged:

- All state and territory governments have developed (or are developing) partial agreements that cover only the human services area and regulate relations between CSOs and just one or two government agencies.
- Even in states where partnership compacts appear to be working well between one government department and the community sector, such as the *Partnership Agreement* in Victoria and *Common Ground* in South Australia, other state government departments do not work with or acknowledge the compact. As a consequence some CSOs may have a compact for one part of their state government funds but not for other projects or programs.
- There have been positive outcomes, but the more common experience from the community sector seems to be one of frustration and cynicism of what has been, or can be, achieved through the compacts.
- At the same time, the process of compact development is often as important as the outcome. Even where the compacts do not appear to have been successful in long-term outcomes, the dialogues inherent in the development process have been instrumental in shifting discourses about government-nongovernment relations. In particular the compact process has been seen as key to avoiding, or compensating for, the worst aspects of purchaser provider models.
- An important indicator of their lack of success is that there is widespread lack of knowledge about, and commitment to, compacts. This is true for government officials (who often simply ignore them or are unaware about compacts developed by other departments), community sector workers (who often don't know they exist or are sceptical about their worth) and academics (who are unaware that they have been developed -- see for example Goddard 2006).

It should be noted that other community engagement processes developed under current governance regimes are facing similar challenges. In a recent analysis of evaluations of community engagement in policing and other public sector agencies, a pattern started to emerge: while the evaluation methodologies and definitions used were different, and the issues dealt with and types of participants surveyed varied, there seemed to be a certain concurrence in all the surveys that a small majority (around 60%) were supportive of the outcomes and processes; a small minority (around 20%) were openly dissatisfied, and the remainder (around 20%) were taking a "wait and see" attitude (Casey and Pike 2007).

Whether compacts in Australia are in the end successful or not in achieving the vision of co-operative, participatory democracy alluded to in their vision statements, it is clear that the existence of state-level compacts has helped shift the focus of discourses towards approaches such as partnerships, coproduction, participatory governance and social governance, all of which credit the community services sector with a central and legitimate role in policy making. There is evidence that some Australian compacts have helped create stronger partnerships between governments and CSOs, but there is also the danger that other compacts have simply become empty gestures that have had little enduring impact on relations between the sectors. What happens in the future depends on how the compacts evolve at the state level and future developments at the federal level.

There is little doubt that there has been significant policy transfer and convergence in the development of compacts, with almost all Australian processes making some reference to the UK, which continues to be the benchmark by which other jurisdictions measure their own

processes. Compacts are seen in a positive light as heralding a new era in the evolving relationship between the government and community sectors, but also in a negative light as necessary peace treaties between sectors that have been at odds due to previous excesses of the contracting and competitive tendering approaches. The key factors that appear to determine the perceived success or otherwise of compacts include: timing of the process; the 'fit' between perceived problems and compacts as a solution; the work of key 'champions' (individuals or organisations) who continue to promote and drive compact processes; the level of trust between stakeholders that existed at the beginning of the process and the trust generated through the process of creating it; the resources available to the implementation process and the visible gains that can be shown to have resulted (Craig, Taylor and Parks 2004, Rawsthorne and Christian 2005, Toftisova 2005). Compacts are subject to continual review and adjustment. They are not static documents, but continuing processes which include continued oversight and regular formal reviews as well as the dissemination of successful outcomes.

Compacts are likely to continue as a central feature of government-CSO relations around the world in years to come. The recent installation of Gordon Brown as Prime Minister in the UK and his unequivocal support of the Compact suggests that the UK will continue to set the benchmark for government and community sector relations in other countries. At the same time, the apparent abandoning of the much vaunted Accord in Canada indicates that there are no guarantees of ongoing commitments to such compacts, and that while they may have positive short-term process outcomes (e.g. they improve the relationships between those negotiating the documents), they may have few longer-term structural impacts.

References [Note reference to the various State compact documents are in Table 1]

- Australian Council of Social Service (2006). *Australia Community Sector Survey*. ACOSS paper 143. http://acoss.org.au/upload/publications/papers/561_paper%20143.pdf
- Barraket, J. (2006). *Community Sector Sustainability: Research Evidence and Public Policy Implications*. Sector Sustainability Task Group. <http://eprints.infodiv.unimelb.edu.au/archive/00002320/>
- Baulderstone, J. (2007). *Changing Relationships between the Public Sector and Community Service Organisations*. Public Policy Network Conference, Adelaide, 1-2 February. <http://www.ssn.flinders.edu.au/fippm/ppnsummerconference2007/papers.php>
- Brown, D. and Jagadananda (2006). *Civil Society Legitimacy and Accountability: Issues and Challenges*. Hauser Center Working Paper No. 32 . http://www.ksghauser.harvard.edu/PDF_XLS/workingpapers/workingpaper_32.pdf
- Casey, J. and Dalton, B. (2006). *The Best of Times, the Worst of Times: Community-sector Advocacy in the Age of 'Compact's*. In *Australian Journal of Political Science*, 41 (1): 23-28.
- Casey, J. and Pike, D. (2007). *Fit for Purpose: Working with the Community to Strengthen Policing in Victoria, Australia*. ANZ Society of Criminology Conference.
- Craig, G., Taylor, M. and Parkes, T. (2004). Protest or Partnership? The Voluntary and Community Sectors in the Policy Process. *Social Policy and Administration*, 38.
- DOCS (Department of Community Services) (2007). *About our Funding Reform* http://www.community.nsw.gov.au/DOCS/STANDARD/PC_100938.htm
- Goddard, J. (2006). *Third Sector in Partnership Arrangements: Navigating New Waters or Treading Water?* Paper delivered at Australia And New Zealand Third Sector Research, Eighth Biennial Conference, 26-28 November 2006 Adelaide. <http://www.socsci.flinders.edu.au/fippm/ANZTSR%20Conf%20Proceedings/conference%20files/Goddard.pdf>
- Government of South Australia Volunteer Compact (2006a). *Creating The Future Together: ACT Partnership Report to the Premier*. Government of South Australia. <http://www.ofv.sa.gov.au/pdfs/CreatingTheFuture.pdf>
- Government of South Australia (2006b). *Reports Advancing the Community Together. Partnership Review Report*. <http://www.ofv.sa.gov.au/pdfs/ACT%20REVIEW%20REPORT%20FINAL%20-%208%20August%2006.pdf>
- Lyons, M. (2001a). *Third Sector: The Contribution of Nonprofit and Co-operative Enterprises in Australia*. Sydney. Allen and Unwin.
- Lyons, M. (2001b). *Compacts between Governments and the Voluntary Sector*. Paper to Governance and Partnerships in the Third Sector: Reconciling Agendas for Change Conference Melbourne, 27 April 2001. <http://www.communitybuilders.nsw.gov.au/download/compacts.pdf>

- Maddison, S., Denniss, R., and Hamilton, C. (2004). *Silencing Dissent: Non-government organisations and Australian Democracy*. The Australia Institute, Discussion paper no. 65, June.
- Maddison, S. and Denniss R. (2005). *Democratic Constraint and Embrace: Implications for Progressive Non-government Advocacy Organisations in Australia*. Australian Journal of Political Science, 40(3): 374-389.
- McGuinness, P. P. (2003). 'Test that inner glow with true charity.' *Sydney Morning Herald* 2/9/03.
- Melville, R. (2001). *Voice and Role of Community-Sector Peak Bodies*. Third Sector Review, 7(2): 89-109.
- Mowbray, M. 2003. 'War on non profits: "NGOs: What do we do about them?"' *Just Policy*, 30: 3-13.
- Northern Territory Government (2005). *Community Engagement: Working Together for a Better Territory*.
<http://www.nt.gov.au/dem/people/pdf/communityengagement.pdf>
- NTCOSS (Northern Territory Council Of Social Services) (2007). *Budget Submission 2007*.
<http://www.ntcoss.org.au/resources/items/2006/12/127437-upload-00001.pdf1.pdf>
- Onyx, J. and Dalton, B. M. (2006). *Accountability and Advocacy*. Third Sector Review. 12 (1): 7-24.
- Oxfam Community Aid Abroad (2003). *Consultation on the Definition of a Charity*.
<http://www.oxfam.org.au/campaigns/submissions/taxationsubmission2003.pdf>
- Osborne, S. and McLaughlin, K. (2002). Trends and Issues in the Implementation of Local 'Voluntary Sector Compacts' in England. *Public Money and Management*, Jan-March 2002, pp. 55-63.
- QCOSS (Queensland Council of Social Service) (2005). *Joint Statement from Peak Organisations regarding the Strengthening Non-Government Organisations Agenda*. QCOSS.
http://www.qcoss.org.au/upload/659_Peak%20Organisation%20Statement.pdf
- QGDC (Queensland Government Department of Communities) (2002). *Standard Conditions of Funding*. P. 10. http://www.communities.qld.gov.au/departments/funding/resources/documents/word/standard_conditions_funding.doc
- Queensland Government (2007). *Get Involved (Website)*.<http://www.getinvolved.qld.gov.au/>
- Rawsthorne, M. and Christian, F. (2005). *Government/Community Sector Compacts: Real Engagement?* Western Sydney Community Forum, Granville, NSW.
- SACOSS (South Australia Council of Social Service) (2007). *Policy meeting minutes*. Aug 2007 <http://www.enable.net.au/Attachments/Agenda%20and%20papers%200907.pdf>
- Salamon, L.(2002). *Explaining Nonprofit Advocacy: An Exploratory Analysis*. Center for Civil Society Studies, Working Paper Series No. 21. Johns Hopkins University.
<http://www.jhu.edu/~ccss/publications/ccsswork/workingpaper21.pdf>

Staples, J. (2006). *NGOs out in the cold: The Howard government policy towards NGOs*. Democratic Audit of Australia, Australian National University, Canberra, ACT.

Toftisova, R. (2005). Implementation of NGO-Government Cooperation Policy Documents: Lessons Learned. *The International Journal of Not-for-Profit Law*, 8, (1).
http://www.icnl.org/knowledge/ijnl/vol8iss1/special_2.htm

VDHS (Victoria Department of Human Services) (2005a). *Partnership Survey Report 2003*. Victoria Department of Human Services, Melbourne.
<http://www.dhs.vic.gov.au/pdpc/partnership/survey2003.htm>

VDHS (Victoria Department of Human Services) (2005b). *2005 Partnership Survey Data Release*. Victoria Department of Human Services, Melbourne.
<http://www.dhs.vic.gov.au/pdpc/partnership/survey.htm>