



RESEARCH, POLICY AND ADVOCACY UNIT

POLICY REPOSE

Better understanding and appreciation of the not-for-profit sector in Australia

**Jesuit Social Services submission to the Senate Standing
Committee on Economics 'Inquiry into the Disclosure
Regimes for Charities and Not-for-profit Organisations'**

August 2008

Introduction

At Jesuit Social Services we work collaboratively with others to engage disadvantaged people, families and communities and the wider society to promote health and wellbeing and to address social exclusion. Our services are based in Victoria and Western Sydney and include:

- Various justice focussed programs of *Brosnan Youth Services*; including intensive support for young people involved with the criminal justice system (youth and adult).
- Employment and training services for young people through our *Gateway* program, including a 'social enterprise' commercial kitchen;
- *Connexions*, a dual diagnosis program for young people (mental health and drugs and alcohol) and;
- Our *Support After Suicide* program providing support to individuals and families who are bereaved by suicide.

We are also involved in local communities in various parts of Victoria and Western Sydney and have longstanding partnerships with the Vietnamese and African communities.

Our services include a focus on young people with minimal or no family or community supports. These young people feel disconnected from society, culture, family and friends. They have deep feelings of isolation and loneliness not just precipitated by a single incident or period of misfortune, but frequently defined by many years of childhood abuse and neglect, interrupted schooling, an extreme lack of trust in adults, limited literacy, numeracy and vocational skills, learning difficulties and/or disability, no positive experiences of employment and poor physical and mental health.

Staff in Jesuit Social Services programs assist young people to overcome the legacy of negative experiences in their lives by re-affirming their value and worth as individuals. Our approach emphasises empowerment as a key principle when engaging young people. We give attention to their skills and strengths rather than deficits; and to self-determination and responsibility rather than dependency. Wherever possible, we encourage positive relationships between young people and their immediate and extended family. Our experience is that building a relationship based on respect and trust via a strengths based practice framework is what builds young people's capacity and resilience in the long term.

Locational disadvantage and the importance of local community organisations

Our direct work with disadvantaged people and communities informs the work of our *Policy Unit* identifying areas of unmet need, conducting research and advocating for change. This includes the publication of *'Dropping off the edge: the distribution of disadvantage in Australia'* (Vinson, 2007) in collaboration with Catholic Social Services Australia. In highlighting the concentration of entrenched disadvantage within particular localities, *Dropping off the edge* has assisted in identifying the importance of place-based, local community solutions as a key element of social policy for all levels of government.

Accordingly, in the context of the current Inquiry, our input is concerned with more than the operation of our own services and organisation. We are concerned with the wide variety of not-for-profit organisations that are part of the fabric of local communities across Australia. Our research, which supports our direct experience, demonstrates that strong and supportive local communities can have a significant effect in assisting the health and well-being of disadvantaged people and families thereby providing life-long benefits for children as they grow and develop. Great care needs to be taken to strengthen, not weaken, the capacity of local community organisations and support networks.

Better understanding and appreciation of the Not-for-profit sector

We were pleased to see the recent publication of new data about the not-for-profit sector by the Australian Bureau of Statistics (ABS). We hope that their publication 'Not-for-profit Organisations, Australia, 2006-07' (Catalogue 8106.0) will be the first of an appropriately resourced series of regular publications providing key data about Australia's not-for-profit sector.

Previously, government approaches to the collection and publication of data about the Not-for-profit sector have been disappointingly ad hoc and inadequate, perhaps reflecting a lack of appreciation of the importance of the sector as an integral part of Australian society.

We note with interest that in hearings undertaken for the current Inquiry, Committee members have often been moved to express an appreciation for the important and inspiring work being undertaken by a wide variety of not-for-profit organisations operating in various parts of Australia. Amongst other benefits, we hope the current Inquiry can assist in promoting the positive and inspiring stories of what not-for-profit organisations do and the crucial role they play in promoting a better and fairer Australian society.

In addition to a regular series of survey based publications by the ABS, we believe it is also important for core national economic data, including the National Accounts, to better incorporate data about the significance of the not-for-profit sector. Many people don't realise just how important the not-for-profit sector is as part of our national economy. A review and improvement of the approach to not-for-profit sector data as part of the National Accounts would be most welcome.

Better data about the not-for-profit sector (including the many unincorporated organisations and other 'non-employing' organisations outside the scope of the recent ABS study) is also crucial to considering improved models for regulation that reflect the significant diversity in the types and size of organisations in the not-for-profit sector.

Reflections on recent experience of government and sector partnerships in Victoria

Our positive experience of participating in the Victorian Government's recent Stronger Community Organisations Project (SCOP) informs the approach we suggest should be adopted in relation to non-profit sector regulatory reform at the national level.

Through the SCOP process, the Victorian Government committed to a partnership approach with the not-for-profit sector to identify and address key regulatory issues. From this experience, it is clear that there is considerable goodwill and energy within the sector to work with government to achieve positive changes. Overwhelmingly, leaders in the sector are keen to embrace changes in regulation that will promote improved standards of governance, transparency and accountability along with greater efficiency and productivity.

A partnership based National Taskforce for Not-for-profit sector Regulatory Reform

To drive regulatory reform at the national level, we believe that the Australian Government should establish a high profile National Taskforce for Not-for-profit Sector Regulatory Reform, based on a partnership model with significant representation from the sector.

Our organisation is action oriented and often we are critical of governments for establishing reviews and inquiries when clear solutions are apparent and what is needed is action, not further inquiry.

A National Taskforce for Not-for-profit Sector Regulatory Reform (continued)

However, in this instance, given the complexity of the issues involved, the range of different types and sizes of organisations within the sector and the lack of clear basic data about the sector to inform policy making, it seems that a partnership based Taskforce approach would be most appropriate.

It is disappointing that the recommendations of the 2001 Inquiry into the Definitions of Charities and Related Organisations have not been actively considered, and we note with interest that these recommendations were included as an Appendix to the discussion paper of the current Inquiry.

The establishment of a high profile National Taskforce would ensure that the recommendations of the current Inquiry do not suffer the same fate as those from 2001 Inquiry – and indeed enable a contemporary consideration of the 2001 Inquiry recommendations to take place.

Inherent in our suggestion of a National Taskforce is the belief that it should be possible to develop a single piece of purpose built legislation (overseen by an independent national regulatory body) that will deliver a better regulatory environment, one that enhances the contributions of not-for-profit organisations to the health and well-being of our people, families and communities.

Such legislation, if well designed and formulated in co-operation with the not-for-profit sector and state and territory governments, should be able to replace the need for most, if not all, of the current multiplicity of laws and regulations with which not-for-profit organisations currently have to contend.

A concluding note regarding support for volunteer involvement in community organisations

On final issue we would like to note is the valuable contribution made by so many people as volunteers within the not-for-profit sector, including within our own organisation and elsewhere. This includes people who volunteer their time on Boards or Committees of Management or other governance related structures.

In our view, amongst other recommendations related to not-for-profit sector regulatory review, the Australian Government should initiate a range of measures to better support and acknowledge the value of volunteers involved in not-for-profit organisation governance structures, particularly in small organisations without paid staff where the volunteers undertake the bulk of work involved in governance tasks. Any new regulatory regime needs to ensure that people are supported, encouraged and duly acknowledged in undertaking these most important and valuable volunteer responsibilities.