



SOCIAL SERVICE SECTOR DEVELOPMENT

GLOSSARY OF TERMS

This document is a glossary of terms and their meanings that encompasses the breadth of sector development work currently underway in the social service and community sector. The glossary is a resource for our sector, setting out some of the key issues that are the subject of sector development work internally or in the development of policy and advocacy objectives for reform. It is also an attempt to clarify some of the language and concepts that are widely used but have different meanings and implications depending on the size, location and activities of social service organisations.

Approved service model Agreed business plan by which a service operates, often adhered to in order to gain or retain external funding.

Award modernisation “The process being undertaken by the Australian Industrial Relations Commission to create a system of rationalised awards to operate in conjunction with the new workplace relations system commencing 1 January 2010.”¹ Each award must work in union with the [National Employment Standards](#), which are minimum standards applied to the employment of national system employees.²

For social and community sector workers, some elements of the modern award have been held over until 2011, in an effort to ensure consistency between it and the outcome of the equal remuneration pay case being run in Fair Work Australia in 2010.

Community engagement Related term: community connectivity. Community engagement is the development of a dialogue between an organisation and a group of people in order to address issues that could affect the welfare of that community. Engagement involves any type of interaction between people and can include consultation, communication, education or public participation. “The linking of the term 'community' to 'engagement' serves to broaden the scope, shifting the focus from the individual to the collective, with the associated implications for inclusiveness to ensure consideration is made of the diversity that exists within any community.”³

1 Productivity Commission: Contribution of the Not-for-Profit Sector, Draft Research Report. Canberra, October 2009.

2 <http://www.airc.gov.au/awardmod/about.htm>.

3 Department of Sustainability and Environment, Victoria website: <http://www.dse.vic.gov.au>.

Community capacity building Related term: community development.
'Community capacity' is the means by which a community is empowered to deal with its own issues and expansion, rather than having to rely upon outside organisations.

Within this concept, a community is assumed to have inherent strengths and capabilities, one of the ways in which this concept differs from community development. With community capacity building, communities are: "enabled to see what skills they have and to identify the kind of problems they want to resolve through common action."⁴

A link has been drawn between community capacity building and capacity building for non-government organisations: "At a number of levels, NGOs can either contribute to the social capital of a town or community, or, where they are faltering, they can contribute to the deterioration of a community. Well run organisations can harness and develop social capital, and provide the vehicle for skill development that enhances the capacity of entire communities. Failing organisations use up the energy of ever decreasing pools of active community members, and often lead to community disputes and tensions. Organisations provide a venue for community leaders, and their performance can highlight the general 'health' of the community."⁵

The main stages of community capacity building are:

- 1) Mapping and developing existing skills and structures;
- 2) Developing goals for action and development; and
- 3) Developing support to achieve goals.

Australian examples of community capacity building include:

- Community Project Grant Fund (South Australian Housing Trust) - A small funds scheme for community development projects targeted towards housing customers as primary beneficiaries.
- Community Gardens and Neighbourhood Renewal in Waterloo (Work by the University of New South Wales & NSW Department of Housing) – Began in 1996, this has included projects that have built public space, facilitated social and cultural expression, and provided educational resources about sustainable gardening. They promoted a sense of community and the development of trust and caring relationships between tenants
- Northcott NSW, Big hART – This project, at the Northcott housing estate, involved development of community culture through arts intervention. Stories of residents living in the estate were told through radio plays, theatre and films in the 600 Stories Project. Tenants were involved in acting, writing, filming, editing, music scores and telling their stories.

4 Atkinson, Dr Rowland; Willis, Paul: Community Capacity Building – A Practical Guide. Paper No. 6, Housing and Community Research Unit, School of Sociology, University of Tasmania.

5 Bradfield, Jane; Nyland, Julie: Non Profit Management Support On Line Bradfield Nyland, NSW, 2001, http://www.ncoss.org.au/bookshelf/conference/download/buildingcapacity/bradfield_nyland.pdf.

Compact An agreement between the government and the not-for-profit sector that indicates how they will work together, in the present and in the future. Generally, a written document that states shared values, principles and commitments; and sets out working guidelines. A compact can be used to frame further discussion and agreement about how to achieve agreed objectives that will benefit the community – for example, social inclusion outcomes.

A compact can include:

- a statement of mutual roles and responsibilities;
- plans for sector sustainability;
- frameworks for dialogue and policy development;
- collaboration on industry issues; and
- regulatory reform.

Principles of compact creation:

- 1) Implementing a compact requires significant time, energy and resources by both parties
- 2) How a compact is developed is as important as its content
- 3) The not-for-profit sector needs to be resourced to be an equal partner in development, implementation and monitoring
- 4) Agreement is needed about who will be involved in the negotiations for a compact, what their mandate is and what they will be asked to do.
- 5) The compact should state clearly who is responsible for delivering each part of the agreement, and how they should do it
- 6) A compact should have agreed processes for review and modification of the agreement and for dispute resolution

Australian Compact examples

Australian National Compact

- In May 2008 the Commonwealth Government announced that it intended to consult with the not-for-profit sector about the development of a compact.
- A consultation process followed, which engaged representatives from the sector and the government, and then the drafting of the compact began. This involved the formation of a National Compact Joint Taskforce, which included 18 members from the sector, Commonwealth government agencies, local government and the ACTU.
- Once the draft principles were completed, a further consultation period began on 3 August 2009 and closed in October 2009.
- A National Compact Sector Advisory Group was subsequently established to ensure that: *The Australian Government and the Third Sector will work together to improve social, cultural, civic, economic and environmental outcomes, building on the strengths of individuals and communities. This collaboration will contribute to improved community wellbeing and a more inclusive Australian society with better quality of life for all.*⁶ The Australian National Compact was signed on Wednesday 17 March 2010.

⁶ National Compact Sector Advisory Group, Terms of Reference, 2009,
<http://www.socialinclusion.gov.au/Partnerships/Compact/Documents/SAGTermsofRef.pdf>.

Australian Capital Territory Social Compact

- Evidence from social service and the community sector suggests that the ACT compact has failed in its aim of promoting a relationship between Government and the community sector.
- There was a lack of knowledge about the compact;
- There is no way to sort out compact breaches.
- “Community representatives have expressed the view that it is difficult to maintain a ‘Compact relationship’ with Government agencies due to departmental staff turnover, low community sector staff morale and a lack of trust.”⁷

Queensland Compact

- The vision of this Compact is: “The Queensland Government and Non-profit Community Services Sector working together for a better quality of life and a fair community for all Queenslanders now and in the future.”⁸
- The Goals of the compact are to “build strong working relationships; improve engagement in planning and policy; improve sector’s capacity and sustainability; and continue to improve service quality and innovation.”⁹
- The draft of the Queensland Compact was produced between December 2007 and June 2008. After a period of public consultation and further changes, the Compact was officially launched on 27 November 2008.
- As advised by the Community Services Futures Forum – a forum of over 45 peak organisations, human services, service providers and networks, including QCOSS - which had originally lobbied government for the Compact, a Compact Governance Committee was established. This Committee is to oversee the implementation of the Compact from 2008–2010.¹⁰
- Realistic expectations about what could be achieved are part of this action plan, including: reducing the amount of bureaucracy experienced by the sector; more involvement by the sector in planning and policy; and committing to workforce sustainability within the sector.¹¹

South Australia

- Two agreements that are similar to compacts: *Advancing the Community Together* and *Common Ground*.
- Focused more on funding and contracts than relationship development.
- Common Ground currently being replaced by Stronger Together, with stronger relationship building focus and core principles, after a 2008 review of Common Ground.¹²

7 Joint COSS submission on a Compact between the Australian Government and the not-for-profit sector 30 September 2009, http://www.acoss.org.au/upload/publications/submissions/6378_Joint%20COSS%20submission%20on%20Compact.pdf.

8 The Queensland Compact: Towards a fairer Queensland, http://qcross.org.au/upload/4716_FINAL_251108_1358-08%20QG%20Compact%20Booklet_FINAL_LR.pdf.

9 *Ibid.*

10 QCOSS: Sector Development website, <http://www.qcross.org.au/Article.aspx?type=sector&id=4716>.

11 Queensland Community Services Futures Forum: Future of the Sector, overview of the Qld Community Services Futures Forum. Available: http://www.qcross.org.au/upload/4858__Overview%20of%20Futures%20Forum_July%2009.pdf.

12 ACOSS, ACTCOSS, NCOSS, SACOSS, NTCOSS, QCOSS, TasCOSS, VCOSS, WACOSS: Joint COSS submission on a Compact between the Australian Government and the not-for-profit sector 30 September 2009, http://www.acoss.org.au/upload/publications/submissions/6378_Joint%20COSS%20submission%20on%20Compact.pdf.

- Advancing the Community Together was criticised in the consultation process for the National Compact as the signatories of the document were not able to promote it in the longer term.
- Common Ground was complimented during this consultation process as it had a sole organisation responsible for the Sector, providing a clear accountable point. However, apparently the agreement had no continuing link between the Sector and the minister responsible, despite having the signature of the minister.
- Stronger Together is an agreement formulated by SA Health, the Department for Families and Communities, and SACOSS, representing the health and community services sector. The aim of this agreement is to create a partnership between government and sector that develops policy, funding and contracting relationships and the planning of service developments.¹³ The agreement is to last until 2013, and will be reviewed in 2012. It is planned that the mechanism for implementation of this agreement will be reviewed annually

Victorian Human Services Agreement

- Agreement between the Department of Human Services (DHS) and community organisations funded by DHS, first instituted in 2002, and renewed every three years. The latest agreement lasts from June 2009 until July 2012.
- Successful in providing relationship basis between these two groups.
- The latest agreement, a Memorandum of Understanding, is signed by the DHS Secretary and VCOSS, acting as representative of housing, community sector and health organisations.
- The agreement is implemented by a Human Services Partnership Implementation Committee (HSPIC), which contains DHS and sector representatives. In 2008, in its role of promoting partnerships, HSPIC endorsed the Partnering in Progress project to evaluate partnerships across the sector. The need for partnerships between government and sector organisations was strongly indicated, as workshop participants believed that this would increase good outcomes for clients and advance service delivery.¹⁴

Working Together for NSW: An Agreement between the NSW Government and NSW Non-Government Human Services Organisations

- In June 2006 it was announced that a compact would be developed between the NSW State Government and the sector. A draft agreement was drawn up entitled and was signed off by the members of the Forum of Non-Government Agencies (FONGA).
- The purpose of this compact was to strengthen the ability of the NSW Government and non-Government human services organisations to achieve better outcomes for individuals, families and communities.¹⁵
- However, the implementation of this compact was criticised as it did not apply to the whole of the government or to the whole of the sector. Participants said that the Agreement had excellent content but its value was undermined by poor implementation. In the absence of an implementation plan, it was argued that the Agreement had turned into a series of funded projects and the opportunity to

¹³ Govt of SA, SACOSS: Stronger Together, An agreement between the State Government of South Australia and the Health and Community Services Sector, 2009, http://blogs.dfc.sa.gov.au/m/dfcweb_corp/429/download.aspx.

¹⁴ VCOSS webpage: <http://www.vcoos.org.au/what-we-do/community-sector/human-services.htm>

¹⁵ Community Builders NSW website: <http://www.communitybuilders.nsw.gov.au/site/govinfo/150.html>.

achieve systemic change had been lost. Moreover, it was argued that there was no equity in the process to select projects to be pursued and proposals put forward by the Sector were ignored.¹⁶

International Compact Examples

- The UK has a compact between government and the voluntary and community sector that has been in place since 1998.
- Canada and Finland developed compacts or similar agreements during the 1990s.

Competitive Neutrality The equal treatment of private, public sector, charitable and not for profit providers competing for public service, in order to give them a similar basis for competition. Competitive neutrality is a key part of the National Competition Policy reform package, ensuring that government businesses do not have any competitive advantage over their private sector counterparts due to their public sector ownership.

"Competitive neutrality . . . involves a commitment to fair markets and maintains that there should be a level playing field between public, private and voluntary providers of goods and services. It is not concerned with opening up new markets, but with ensuring there is a level playing field in existing ones."¹⁷

In practice, competitive neutrality means that government businesses should:

- Charge prices that reflect full costs;
- Include, within these prices, an allowance for government taxes and charges such as GST, stamp duties, and payroll tax;
- Pay commercial interest rates;
- Produce commercially acceptable profits; and
- Comply with the regulations that apply to private businesses, such as the Trade Practices Act.

However, advantages such as the size of a business, the skills of that business, location or customer base are not covered within the concept of competitive neutrality.

The Australian Government Competitive Neutrality Complaints Office (AGCNCO) is run by the Productivity Commission. This office looks after the federal governments' competitive neutrality complaints mechanism. The Government's approach for implementing competitive neutrality is outlined in its Competitive Neutrality Policy Statement of June 1996 and Competitive Neutrality Guidelines for Managers¹⁸.

Currently, competitive neutrality is only applicable to government or publicly owned businesses. However, it has been suggested that the concept should be applied to all public sector tenders, thus creating competitive neutrality between private sector and non-profit organisations competing for public service contracts. The arguments for extending the concept to include any organisation bidding for a public service contract

¹⁶ Department of Families, Housing, Community Service and Indigenous Affairs (FAHCSIA): National Compact Consultation: 13. Domestic lessons from using compacts available: http://www.fahcsia.gov.au/sa/communities/pubs/documents/national_compact_consultation/sec2_13.htm.

¹⁷ Sturgess, Gary L, 2006: A fair field and no favours: Competitive neutrality in UK public service markets. The Serco Institute, UK.

¹⁸ Productivity Commission, 'Competitive Neutrality', <http://www.pc.gov.au/agcnco/competitiveneutrality>.

include: tax advantages conferred on non-profits; the use of non-paid volunteers; and 'suitability of purpose' of bidding organisations.

This approach was reflected in the terms of reference for the Productivity Commission's research study into the contribution of the not-for-profit sector (published 2010), which included a specific reference to look at tax concessions as they affect competitive neutrality.¹⁹

Contracting Contracting is the means by which competitive tendering arrangements are made for government-funded delivery of services. Contracting has been viewed as an unsuitable model for service delivery in the past, as in this 2008 comment about the Jobs Network: "The inflexibility . . . is as much a result of contractual and other requirements imposed on providers, as it is about the model itself."²⁰

ACOSS has flagged a number of problems for the sector caused by contracting, including: unreasonable measures of delivery outcomes; overly harsh reporting requirements; the time taken to respond to tender documents; and the disadvantages of tendering for smaller agencies.²¹ The contracting process can be seen as being overly controlling, beginning with stringent tendering requirements and ending with harsh reporting requirements, both of which can have a detrimental effect as they take providers away from their main task of providing the service.²²

Further issues with the nature of government contracting have been identified, including the idea that government contracts often give advantage to for-profit organisations not available to not-for-profit organisations; that there is no certainty that the organisation contracting with the government will get paid for their service; and that the terms of government contracts mean that the government is micro-managing the agency delivering the service.²³

The Productivity Commission's report found that government funding routinely covers only 70 per cent of the full cost of service and does not cover market-based wages for social and community service workers.²⁴

Early intervention/prevention Early intervention and prevention is a method of service delivery that aims to influence behaviour in order to reduce the effect of an unfavourable environment. While it is commonly assumed to refer to children, parents or families, it is increasingly used more broadly in the context of preventative healthy (eg health promotion), policies, and in relation to proposals for social insurance schemes such as the National Disability Insurance Scheme.

19 Productivity Commission, 2010, Contribution of the Not-for-Profit Sector Research Report, page v, Canberra.

20 Department of Education, Employment and Workplace Relations, 2008: The Future of Employment Services in Australia: A discussion paper.

21 ACOSS, 2009: Submission to the Productivity Commission, Study into the Contribution of the Not-for-Profit Sector. ACOSS, NSW.

22 *Ibid.*

23 Sidoti, Eric; Banks, Robin et al 2009: A question of balance: Principles, contracts and the government-not-for-profit relationship. University of Western Sydney, Public Interest Advocacy Centre, Whitlam Institute.

24 Productivity Commission, 2010: Contribution of the Not-for-Profit Sector Research Report, p. 280-1, Canberra.

An important goal of prevention and early intervention is to change the balance between risk and protective factors so that the effect of protective factors outweighs the effect of risk factors, thus building resilience.²⁵ Types of services utilising this method of service delivery include: home visits for vulnerable parents; early childhood education programs, parenting programs, “school readiness” programs, indigenous programs and multiple intervention programs. An example of an early interventionist program is NSW DOCS’ “Brighter Futures”, which is aimed towards families who have experienced one or more of the following ‘vulnerabilities’: domestic violence; parental drug or alcohol problems; parental mental health issues; lack of family or social support; parents with significant learning difficulties or intellectual disability; child behaviour management problems; lack of parenting skills or inadequate supervision.²⁶

Entitlement portability The portability of employment entitlements for the sector. Employment entitlements such as long service leave and annual leave are portable between employers within the public sector, in some industries such as the construction industry, and even between some government agencies and universities. This is made possible with legislated schemes which employers pay into, such as Qleave in Queensland, which administers long service leave for the building & construction and contract cleaning industries (www.qleave.qld.gov.au); or the Construction Industry Long Service Leave Payments Board in WA (www.lslboard.com.au), in SA (<http://www.cbserv.com.au>), and the ACT (<http://www.actslsb.act.gov.au>). To make such entitlements portable for the not-for-profit sector could bring employment conditions closer to a par with conditions in government agencies and aid in reducing the numbers of employees who leave the sector to work with government agencies.

The ACT has recently established a long service leave portability scheme, run by the ACT Leave, the ACT Long Service Leave Authority (<http://www.actslsb.act.gov.au>). This Authority has long been running schemes for the construction and the cleaning industry, and, as of 1 July 2010, will be running a similar scheme for the Community Sector – including Child Care, but excluding Aged Care. Under this scheme, sector employees will be entitled to 8.67 weeks’ paid leave after ten years of service, pro-rata after five years.

The Australian Services Union in Victoria is currently campaigning for access to long service leave portability for Social and Community Services workers, under the basis that dependence on funding may curtail employment at a particular service before the long service leave period is reached; that employees may find it necessary to change employment in order to further their career path; and that employees may change employment to increase opportunities for further training. The portability of leave entitlements would increase the possibility of employees staying within the sector.²⁷

25 Watson, Johanna; White, Angela et al 2005: Prevention and Early Intervention Literature Review. NSW Department of Community Services, http://www.community.nsw.gov.au/docswr/_assets/main/documents/eip_literature_review.pdf.

26 NSW Department of Community Services, http://www.community.nsw.gov.au/for_agencies_that_work_with_us/early_intervention_services/eligibility.html#vulnerabilities.

27 Australian Services Union, Victorian Authorities and Services Branch, <http://www.asuvic.asn.au/260.html>.

Funding agreements A legally binding document stating the terms of an agreement for the use of a grant. A funding agreement is based upon the project proposal and generally sets out in detail every requirement, including reporting, associated with the funding: key milestones and timeframes; and control and accountability measures to make sure the funding is used as desired by the funding agency. Often, this type of agreement will contain project management templates and a dispute resolution procedure. The organisation must meet these requirements, which are often administered by way of pre-designed templates, in order to comply with the terms of the grants.

Individualised service agreements Related terms include: direct service delivery, consumer-directed purchasing, personalised social care, self-directed funding, individualised funding, individualised care packages, personalised budgets, individualised support packages, self managed care, direct funding, individualised service agreements, and consumer choice.

Individualised service agreements originated in Canada in the 1960s with the consumer-driven Housebound and Aid & Attendance Programs, and have been widely adopted in the UK in relation to health services. In Australia, individualised service agreements have focused on the rights of the disabled to choose what services their funding would best be spent on. ACOSS is developing policy on a disability allowance that would improve the support given to people with disabilities. Other organisations have also undertaken policy development in this regard, including the Australian Federation of Disability Organisations (ADFO) and In Control Australia.

Australia has at least four state programs based on an individualised service model, including: 'Support & Choice' in Victoria, the Community Living Concept Plan in WA, Local Area Coordination in Qld, and Attendant Care Direct Funding in NSW (pilot program).

The main conclusion from the literature is that this is a beneficial model; the participants experience greater satisfaction with services, and their carers, families and friends experience less strain. However, the bureaucracy surrounding services such as these, which can be tailored so minutely, can be costly – a problem referred to in the UK literature - and the Productivity Commission's report raised the issue that enough participants need to be involved in order to drive competition within the market.²⁸

Lead provider / Lead agency A contracting model whereby government contracts with a particular service provider acting as 'lead agency' for a number of smaller providers, essentially sub-contracting out the original government contract. This approach has been adopted as a means of government dealing with a large number of smaller organisations, increasing the sustainability of the smaller organisations and reducing the bureaucratic involvement by government. However, much concern has been indicated, especially in the report from the Productivity Commission²⁹, about this approach. Concerns include:

²⁸ Productivity Commission, 2010: Contribution of the Not for Profit Sector Research Report, Canberra.

²⁹ *ibid.*

- The assumption that all agencies from the sector are capable of working together, which may not be the case as varying agencies may have differing approaches and working schemes;
- The time and costs involved for the lead agency to recruit and subcontract to smaller agencies; and
- The need for larger agencies to have a strong management approach, in order to essentially manage the contract for the government.

Despite this, the Productivity Commission recommends this model as a workable one, and suggests its use on an individual case basis, looking at the savings not just for the government but for the providers as well.

Outcome reporting The Australian Government first introduced outcomes and outputs reporting and budgeting in 1999-2000. Outcomes are the end result of a contract, while outputs are the measures to help achieve this result. There has been a recent shift from output to outcome reporting, which is, according to Mission Australia, at odds with the increased demand for 'evidenced based' responses. Such research, quality assurance, monitoring and evaluation are critical for informing program development and delivery to ensure effectiveness of client outcomes. The effectiveness and efficiency of the community and social sector would be enhanced by government and other funders building in adequate investment to allow for program research, monitoring and evaluation. This also allows sufficient timeframes to allow such research and evaluation to be undertaken³⁰.

Partnerships The concept of 'partnerships' to describe the relationship between government departments and agencies has been explored in the Productivity Commission's sector report. According to their survey, 80% of government departments surveyed regarded their relationship with agencies as a partnership.³¹ However, agencies' responses questioned whether this relationship was a genuine collaborative partnership. The impression given was that a genuine partnership is one in which there is equal balance between the parties involved, and that this was not the case in the relationships between government departments and service providers.

In their submission to the Productivity Commission's study, Jobs Australia likened partnerships between government departments and agencies to 'master servant relationships', and went on to state that the relationship is in urgent need of reform.³² UnitingCare's submission pointed out that, while the Rudd government started to move towards a partnership model more than a contractual purchaser-provider model, the administrative and cost burdens upon services must be further reduced, while keeping intact their accountability and transparency, in order to reach a more balanced partnership status.³³

30 Mission Australia, 2009: Submission to the Productivity Commission Review of the Contribution of the Not for Profit Sector.

31 Productivity Commission, 2010: Contribution of the Not for Profit Sector Research Report, Canberra.

32 Jobs Australia, May 2009: Submission to the Productivity Commission: Commissioned Study into the Contribution of the Not For Profit Sector. http://www.pc.gov.au/data/assets/pdf_file/0009/89649/sub104.pdf.

33 UnitingCare Australia, June 2009: Submission by UnitingCare Australia to the Productivity Commission Study into the Contribution of the Not for Profit Sector. http://www.pc.gov.au/data/assets/pdf_file/0011/89822/sub138.pdf.

Social capital Related term: social economy.

'Social capital is a term used to describe the particular features of social relationships within a group or community. This includes such things as the extent of trust between people; whether they have a shared understanding of how they should behave toward, and care for one another; and the extent of participation in civic organisations, such as sporting clubs and school councils'.³⁴

Social capital also refers to the resources contained within a particular community or network. Recent research suggests that people in communities with more social capital may be healthier and are more involved politically, as well as having greater personal safety and education.

Social capital has been likened to the idea of 'glue' that holds a society together: 'Social capital refers to the institutions, relationships and norms that shape the quality and quantity of a society's social interactions. Increasing evidence shows that social cohesion is critical for societies to prosper economically and for development to be sustainable. Social capital is not just the sum of the institutions which underpin a society – it is the glue that holds them all together.'

According to the World Bank, social capital is a term used to describe the networks that 'enable collective action', such as institutions and relationships that shape the social interactions of a particular society. The World Bank breaks the concept of social capital

into five dimensions: groups and networks, trust and solidarity, collective action and cooperation, social cohesion and inclusion and information and communication. 'These dimensions capture both the structural and cognitive forms of social capital.' The World Bank correlates social capital with certain aspects of developing countries, such as crime/violence, health, education and violence.³⁵

Social capital is 'increasingly recognised as important for the health and wellbeing of the community at large — including both local communities and the communities of interest in which family life takes place'.³⁶

Social exclusion Social exclusion refers to the interconnectedness of social problems such as unemployment, low levels of education, dependency upon welfare, bad health, isolation, criminal activity and inadequate service provision. Social exclusion looks at how these problems are not caused by the actions and choices of the individual, but are a reflection of the way in which individuals or communities may be actively excluded from mainstream social and economic life. The exclusion from the mainstream is what leads to the social problems.

'Social exclusion is a complex and multi-dimensional process. It involves the lack or denial of resources, rights, goods and services, and the inability to participate in the normal relationships and activities, available to the majority of people in society, whether

34 VicHealth, 'Social Inclusion as a determinant of mental health and wellbeing', Research Summary 2, Vic, 2005.

35 World Bank, 'Overview: Social Capital',

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTSOCIALCAPITAL/0..contentMDK:20642703--menuPK:401023--pagePK:148956--piPK:216618--theSitePK:401015.00.html>

36 Stone, Wendy; Hughes, Jody: 'Social Capital: Linking Family and Community?', Australian Institute of Family Studies Staff Paper, 2001.

in economic, social, cultural or political arenas. It effects both the quality of life of individuals and the equity and cohesion of society as a whole.³⁷

‘Social exclusion can take many forms, [including:]

- Consumption exclusion – having an income below one-half of the median;
- Production exclusion – being either unemployed, long-term sick or disabled, or in early forced retirement;
- Political engagement – not voting or belonging to any political organisation, and
- Social interaction – lacking someone who will offer support in key areas of personal life.

Researchers involved with the new Poverty and Social Exclusion survey also identify four main dimensions of exclusion:

- Impoverishment – being poor in terms of both low income and deprivation;
- Labour Market exclusion – identified using a range of labour market indicators, including living in a jobless household;
- Service exclusion – restricted access to public transport, play facilities and youth clubs, and basic services inside the home; and
- Exclusion from social relations – which covers non-participation in common activities, the quality of social networks, support available in times of crisis, disengagement from political and civic activity, and confinement resulting from fear of crime, disability or other factors.³⁸

Social Inclusion

‘A socially inclusive society is defined as one where all people feel valued, their differences are respected, and their basic needs are met so they can live in dignity. Social exclusion is the process of being shut out from the social, economic, political and cultural systems which contribute to the integration of a person into the community.’³⁹

‘Social networks can provide social support, social influence, opportunities for social engagement and meaningful social roles as well as access to resources and intimate one-on-one contact.’⁴⁰

According to the Australian Government’s Social Inclusion Board, social inclusion is a term used for a society that values each of its members and allows them to participate fully in the life of that society.⁴¹ Both federal and state/territory governments in Australia have introduced social inclusion initiatives. The federal initiative includes a Social Inclusion Unit located within the Department of the Prime Minister and Cabinet, whose aims include making sure that all Australians: can learn through education and training; have the opportunity to work in employment or voluntary work; can connect with the local community’s resources and people; and have a voice about changes that could affect

37 Levitas et al., 2007, p. 9.

38 Bradshaw, 2004 and Levitas, 2006 cited in Saunders: Towards new Indicators of Disadvantage project, Bulletin no 3, social exclusion in Australia, Sydney November 2007.

39 D Cappel 2002, ‘Social inclusion, participation and empowerment’, ACOSS National Congress, 28-29 November 2002, Hobart.

40 Berkman LF and Glass T, 2000, ‘Social integration, social networks, social support & health’ in *Social epidemiology*, eds Berkman, LF, Kawachi, I. New York, Oxford University Press.

41 Australian Social Inclusion Board, www.socialinclusion.gov.au

them. The government also established a Social Inclusion Board in May 2008 to advise on programs and initiatives; and other government departments now include a brief relating to social inclusion.

Sustainable funding Related term: full cost recovery.

In a view generally supported across social service community organisations, sustainable funding relates to recurrent or long-term funding, including from government. In the wake of the global financial crisis, it is envisaged that it will become more difficult for sector organisations to gain recurrent or long-term funding. Budget deficits may lead to changes in government funding just when the need for sector services increases. This could have a dramatic effect on organisational sustainability within a sector already struggling for adequate funding.

According to the ACOSS Community Sector Survey in 2010, 69% of surveyed organisations receive their primary source of funding from government. Often this funding is not ongoing or recurring, limiting “organisational capacity to plan adequately for the future, especially in terms of service provision and staffing. Sixty per cent of respondents agreed that *our funding agreements did not allow us to plan adequately for our organisation’s future.*”⁴²

Symbiotic philanthropy Related term: corporate philanthropy.

A model for sector funding that moves responsibility from government to the corporate sector, creating, in effect, a fourth organisational sector. Currently, the government provides most of the funding for organisations to carry out programs, while the corporate sector provides limited funds and volunteers. In the symbiotic philanthropy model, the government would offer taxation incentives to the corporate sector to directly fund social programs.

This regime of dependency upon corporate philanthropy is current in the UK, Canada and the USA. While the Australian government currently supports corporate philanthropy to some extent through tax deductibility of charitable gifts, opportunity exists for a larger involvement from corporations, supported by government through taxation incentives.

Several submissions to the Productivity Commission’s sector report recommended an increase of non-governmental funding for social services, proposing: “a model for a new direction in philanthropy in Australia that moves governments away from the bulk of their direct involvement in social programs and provides a strong incentive for the corporate sector to be directly involved in building a sustainable social sector.”⁴³

A second submission proposes a stronger use in Australia of community development financial institutions (CDFIs), which act as funding agencies for social organisations, as in the US and the UK, and which, in their turn, receive a large amount of funding from the corporate sector.⁴⁴

42 ACOSS, 2010: Australian Community Sector Survey Report 2010. Volume 1, National. ACOSS Paper 161.

43 Natalie Howard, Rahul Soans and Mark Sheldon-Stemm, 2009: Symbiotic Philanthropy or “Giving, getting involved and the Fourth Sector”.
http://www.pc.gov.au/_data/assets/pdf_file/0009/89451/sub034.pdf

44 Asia Pacific Centre for Social Investment & Philanthropy: Submission to the Productivity Commission, **Contribution of the Not for Profit Sector**.
http://www.pc.gov.au/_data/assets/pdf_file/0007/89458/sub041.pdf

However, the Productivity Commission points out in their review, that, while corporate philanthropy in Australia is increasing, some sector organisations are moving from a cash donation basis to one in which they work with a corporation on joint ventures and long-term secondment of staff, as well as board participation. The Productivity Commission recommends this collaboration between the corporate sector and the non-profit sector as a sustainable business involvement. This could contribute to the concept of a fourth sector in which business directly supports social services – not entirely through financial means but also through staff and board collaboration.⁴⁵

⁴⁵ Productivity Commission, 2010: Contribution of the Not for Profit Sector Research Report, Canberra.