

Submission on Draft National Care and Support Economy Strategy 2023

Prime Minister & Cabinet Taskforce

7 July 2023

About ACOSS

The Australian Council of Social Service (ACOSS) is a national voice in support of people affected by poverty, disadvantage and inequality and the peak body for the community services and civil society sector.

ACOSS consists of a network of approximately 4000 organisations and individuals across Australia in metro, regional and remote areas.

Our vision is an end to poverty in all its forms; economies that are fair, sustainable and resilient; and communities that are just, peaceful and inclusive.

Summary

ACOSS welcomes the opportunity to provide a submission to this process. We recommend that the framing of the Draft National Care and Support Economy Strategy be revisited and that key assumptions about care and support services are more rigorously interrogated, including but not limited to Policy Goal 3 and the role of markets and related concepts. Correctly framing this document is important in setting up the associated implementation work, as stated in the Roadmap. Similarly, consultation and collaboration approaches must be strengthened so that all relevant stakeholders within and outside government can help shape and deliver the National Care and Support Economy Strategy. Our recommendations seek to ensure the best outcomes for people using services, communities as well as care and support workers.





Introduction

ACOSS welcomes the opportunity to provide a submission to this consultation. We acknowledge the work already undertaken by the Department of Prime Minister and Cabinet Taskforce (the Taskforce) on the Draft National Care and Support Economy Strategy (the Draft Strategy).

We commend the Taskforce for reintroducing a focus on the state of Australia's care and support services to the centre of Federal Government considerations. As acknowledged in the Draft Strategy, these services are critical to our community's health, wellbeing, and social cohesion, and employ a large and fast-growing workforce. They are also vital in helping people experiencing the impacts of poverty, disadvantage and hardship rebuild their lives.

Our vision for community services is that they are funded and designed in a way that enables them to be people-centred and effective in reducing disadvantage and harm, as well as effective in strengthening the sector workforce via improved conditions, pay, job security, skills and career opportunities.

Assessing the Draft Strategy, it is unclear to ACOSS what specific policy reform is being sought from this process, and how such reform will be achieved via the proposed work. The Terms of Reference for this process are incredibly wide, seeking to identify reform opportunities across multiple, major, complex service systems, each requiring deep levels of technical and policy expertise and coordination with relevant Departments at the Commonwealth, state and territory levels.

The Draft Strategy itself is incredibly broad, built on a series of sweeping assumptions about the reform pathway for service systems. The three overarching Policy Goals in the Draft Strategy are equally ambitious in scope.

ACOSS is broadly supportive of Goals 1 and 2, and their stated objectives (Quality care and support, and Decent Jobs respectively) although we offer recommendations to strengthen them. We have substantial concerns with the framing of Goal 3, 'A care and support economy that has functioning markets, sustainable funding and generates productivity gains'. Within this goal, there are built-in assumptions about the primacy of markets in delivering services, the importance of provider profitability and market sustainability. Each of these require rigorous examination in finalising the Draft Strategy. ACOSS has serious queries about the merit of these in the Draft Strategy, as articulated in this submission.

Further questions remain over how the Draft Strategy will be implemented over time, the role of the Roadmap, the timeframe for developing Action Plans which extends to June 2033, the intersection with other concurrent reviews and inquiries being undertaken by the Federal Government, and the role of various actors in achieving better outcomes, be they within or outside government.





Given the above, we welcome the Taskforce acknowledging the Draft Strategy 'is the start of the conversation about Australians' vision for our care and support system' because there is much for the Taskforce to interrogate in greater detail, both in terms of policy and process.¹ It is imperative that the Taskforce improve its collaboration with stakeholders on the best way to design, deliver and fund care and support service systems. It should look to facilitate an open and ongoing conversation with the community on these crucial issues.

We believe it is important for the Taskforce to get the framing of the Draft Strategy right, to embed the right principles into its approach and learn the lessons from current service systems in order to set the Taskforce's work on the best path from the start. As such, ACOSS recommends that:

- 1. the Draft Strategy should be reframed to focus on care and support service systems, versus the fixation on a 'care and support economy'.
- 2. the Draft Strategy should more rigorously interrogate the role and performance of markets in service delivery and their impact on people accessing services, including better-designed models and alternatives.
- 3. the Draft Strategy identify options for raising the necessary revenue to fund services into the future rather than relying on increasing profitability, productivity and consumer contributions, these threatening equitable access to services for people experiencing poverty, disadvantage and hardship.
- 4. the Draft Strategy acknowledge that government has a central role in improving pay and conditions in care and support services systems and addressing gender inequity in the workforce, as the main funder of such services.
- 5. the Draft Strategy make clearer and more explicit the need for strong safeguards and feedback loops in the use of automated regulation and decision-making mechanisms.
- the Taskforce improve its consultation processes in delivering work associated with the Strategy to ensure they are authentic, accessible and ongoing. In doing so, it must improve its collaboration with the community sector.

We outline these points below.







1. Reframe the Draft Strategy on care and support service systems, not 'an economy'

ACOSS recommends that the Draft Strategy be reframed to focus on reform opportunities for the care and support service systems, not a 'care and support economy'. This should be applied across the three policy goals and their objectives.

We believe using the term 'economy' is reductive. For instance, the Draft Strategy currently prioritises productivity, provider profitability, and market sustainability as desired elements delivering services. Using the lexicon of economy excludes fundamental elements of providing quality services to people in need and building a vibrant workforce, such as individual wellbeing and aspirations, community values and connections, and the importance of personal relationships and expertise in service delivery.

Further, framing the Draft Strategy around a 'care and support economy' is not aligned with the emerging thinking about measuring wellbeing as part of the Federal Government's *Measuring What Matters Framework*, the importance of which can be summarised as follows:

"Indicators that measure broader quality of life factors should be considered in addition to, not instead of, traditional macroeconomic measures. When policy processes consider these outcomes, they facilitate more holistic discussions of the type of economy and society Australians want to build together."²

The OECD considers domains contributing to wellbeing as not being limited to income and wealth, but equally social connections; knowledge and skills; health; civic engagement; work and job quality and subjective wellbeing.³ The Draft Strategy does not incorporate this more holistic examination of such benefits of service systems.

Recommendation 1:

Reframe the Draft Strategy around care and support service systems, as a more inclusive and holistic framework for policy reform than 'care and support economy'.

² Budget Statement 4, <u>Measuring What Matters</u>, Federal Budget Papers, October 2022, Page 123.

³ Budget Statement 4, <u>Measuring What Matters</u>, Federal Budget Papers, October 2022, Page 125; see also <u>ACOSS submission to Measuring What Matters consultation</u>, 3 February 2023.



2. Interrogate the role and performance of markets in service delivery

ACOSS refutes the premise in the Draft Strategy regarding the role and performance of markets in care and support service delivery. This premise is highlighted in particular by the wording of Policy Goal 3, 'A care and support economy that has functioning markets, sustainable funding and generates productivity gains'.⁴

The expansion of social service markets over the past thirty years has, at best, achieved mixed results for people relying on services in the community and is a policy experiment with fundamental limitations.⁵ Demonstrated by recent public investigations into aged care, vocational education and training and other areas, there have been a litany of systemic failures and inadequacies with markets in social services, which has had a detrimental impact on us all, but especially on the lives of those experiencing poverty, disadvantage and hardship. The common, structural dilemma with social service markets is succinctly put by Professor Mark Considine AM:

"This system produces a low-average model with some core characteristics. The owners of the services seek to increase their margins by de-professionalising the service and stocking it instead with poorly paid and untrained staff. Because they all do it and because they are all paid the same rate by the government, they face no market risk if they run a service that conforms to a poor minimum standard. Only the truly dreadful get noticed by the regulators."⁶

The current framing of Policy Goal 3 around the ongoing use of orthodox market approaches creates considerable risk of undermining Policy Goal 1, 'Person-centred services that recognise those accessing care and support as individuals and deliver quality outcomes', as well as making the critical role of community sector services less important.⁷

At the start of such a complex and expansive scope of work, the Taskforce significantly limits its policy options, and hence its effectiveness, by placing such heavy emphasis on market orthodoxy and related assumptions. Such assumptions include:

⁴ Draft Strategy, pages 4, 43.

⁵ Considine, Mark, <u>*The Careless State: Reforming Australia's Social Services*</u>, Melbourne University Press, 2022, page 203.

⁶ Considine, Mark, <u>'Choice versus voice: Why money won't fix Australia's broken social services model'</u>, *Inside Story*, 22 June 2023; for a full examination see also Considine, Mark, <u>The Careless State: Reforming</u> <u>Australia's Social Services</u>, Melbourne University Press, 2022.

⁷ Draft Strategy, page 4.



- the efficacy of markets,
- the primary importance of 'choice and control' for people using services, and
- the role of government

We briefly explore the limitations of these below.

2.1 Efficacy of markets

We recommend the Taskforce more rigorously interrogate the efficacy of markets in providing social services, their long-term performance and the substandard outcomes they tend to achieve for people, especially those experiencing poverty, disadvantage and hardship. The Draft Strategy must go beyond a recital of conventional markets and genuinely consider alternative models that recalibrate current service systems and place greater emphasis on the role and value of community sector services.

In finalising the Draft Strategy, the Taskforce should more actively consider Australia's reliance on markets to deliver social services and the limitations that have occurred as a result. For instance, we know the significant inadequacies when government relies on certain performance measurement initiatives such as star ratings and incentive payments for additional assistance to vulnerable people using services. We understand how such regulatory frameworks can be manipulated to maximise government payments to providers without delivering positive, lasting outcomes for people using services, such as providers carefully selecting certain clients to support (also known as creaming or skimming). We understand the overbearing role of forprofit providers in complex social service systems and their tendency towards profit-maximising behaviour at the expense of people using services and workers, and the influence this has on service systems generally (see also comments on provider profitability later in the submission).

Similarly, we recommend the Taskforce not use the misnomer 'thin markets'. 'Thin markets' is misleading by implying a level of service structure, support and agency for people using services that is typically absent. Instead, the Taskforce should be explicit about service gaps and market failures, and examine how best to deliver services to clients, and in locations, where there is very limited range of providers or service options. This is especially relevant to vulnerable clients, and experiences in regional, rural and remote areas.

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2.2 Illusion of 'choice and control' for people using services

The Draft Strategy states that 'Choice and control for people using care and support needs to remain at the centre when considering any other changes to programs or regulatory settings'.⁸

The notions of 'choice and control' is market terminology that seldom resembles reality for people using services. It assumes individuals act as consumers, purchasing a product or service with access to full information on multiple options; demonstrating judiciousness in comparing these options; as well as exercising personal agency in determining the best option and/or changing service options later if necessary. However, in practice the preconditions for choice and control are often absent for people seeking quality services and improved outcomes in their lives, especially people who are disadvantaged or in crisis.

Whilst it may be theoretically accurate to state, as the Draft Strategy does, that 'consumers understand quality support when they see it', people using services can only determine service quality by experiencing the service, at which point it is often too late to advocate for better service, or change service options.⁹ Empirical evidence demonstrates that in care and support services, few people exit poor or inadequate services or switch to different options. It is therefore highly dubious to assume services can be improved through individuals making different choices, and that people using services exercise a level of control over service quality.

2.3 More sophisticated role for government

The Draft Strategy states that, `[a]s the Australian Government is both the regulator (or joint-regulator) and, to a large extent, funder of these services, it needs to be a good steward of care and support markets'.¹⁰ Over time, government has typically failed to learn from its experience `stewarding' markets, and has tended to repeat the same problems in different service areas.

ACOSS recommends that the Taskforce develop a much more active role for government beyond the passive connotations of 'market steward', including a more sophisticated role for government as regulator of services. In undertaking this work, the Taskforce should carefully examine the recent history of social service markets operating in Australia and contemporary research.

ACOSS strongly believes that government has an active and impactful role to perform to improve the quality of services beyond traditional contract management and rule-setting for providers. The Taskforce must find a better



⁸ Draft Strategy, page 15.

⁹ Draft Strategy, page 15. See also Considine, Mark, <u>*The Careless State: Reforming Australia's Social</u></u> <u>Services</u>, Melbourne University Press, 2022, pages 197-198.</u>*

¹⁰ Draft Strategy, page 43.



framework for services that does not rely on the illusion of 'choice and control' for people using services, as outlined above. Instead, government should be ensuring people using services have a clear, ongoing and influential voice in care and support service systems, so that they can better shape the quality and type of services they access.

As the main funder and regulator of services, there is a role for government in improving the quality of services by facilitating better innovation, research and leading practice exchange between providers within a service system.¹¹ This includes identifying and benchmarking providers achieving positive and lasting outcomes for particularly vulnerable people.

Additionally, the Draft Strategy should explore how government can rebuild its expertise regarding the design, delivery and evaluation of services by being better connected to the service system it funds and regulates. Government requires improved capability, acumen and experience in providing care and support services. If government performs such a role, it will ensure providers have higher standards founded on transparent, user-driven, community care.

We think the Federal Government's decision to establish a central evaluation function within Treasury, to provide leadership and improve evaluation capability across government, is an important next step in better evaluating the impact of government policies and programs.¹² Government should consider further options for embedding institutions that routinely examine the quality and state of care and support services, instead of typically relying on Productivity Commission inquiries, or Royal Commissions in cases of widespread crises or failure.

We recommend the Taskforce examine these aspects of care and support systems in depth in finalising the Draft Strategy.

Recommendation 2:

The Taskforce more carefully interrogate the role and performance of markets, and in doing so reframes Policy Goal 3 to explore better ways to design and deliver services, including alternatives to conventional markets.

¹² Federal Government, Budget Paper 2, Federal Budget May 2023, page 213.



¹¹ Considine, Mark, <u>*The Careless State: Reforming Australia's Social Services*</u>, Melbourne University Press, 2022, pages 206-7.



3. Prioritise public investment in services over profitability and productivity

ACOSS recommends that the Draft Strategy ensures government investing in care and support service systems over the long-term is a top priority, to improve service quality, workforce vitality and outcomes for people using services. The Draft Strategy should not prioritise 'market sustainability' as an objective to be achieved under Policy Goal 3, nor emphasise the importance of 'provider profitability' to maintain market 'stability', nor look to increase the role of consumer contributions.¹³ To do so would be to ignore the lessons we have learnt from existing and previous market-based experiments with social services, the limitations of which we outlined earlier in this submission, and to greatly jeopardise universal access to services.

We set out more detail on these points below.

3.1 Profitability

The Draft Strategy states that, `[i]n a market-based model, provider profitability is important. It stimulates further willingness to invest in more services, in renewed facilities and in innovation that could drive quality and more productive services'.¹⁴ This is a highly problematic statement that arises as a result of the Taskforce framing services as a `care and support economy'. ACOSS does not support this presumption regarding provider profitability and strongly recommends that the Taskforce revise it in finalising the Draft Strategy.

When markets become inundated with for-profit providers, and when regulators encourage provider profitability, the outcome typically is a maximisation of profit and minimisation of risk and overhead. The impact is a reduction in service expertise and skill amongst the workforce, poorer quality services due to cost-cutting initiatives, fewer service options and/or greatly inflated prices in regional, rural and remote areas and less support for the most vulnerable clients in a community.¹⁵ Such an emphasis also deprioritises the critical role and expertise of not-for-profit, community-led services. To frame the Draft Strategy in this way ignores longstanding problems with markets as outlined earlier, thereby undermining the ability of the Taskforce to achieve its objectives as stated in its first and second policy goals.

¹⁵ See also Considine, Mark, <u>The Careless State: Reforming Australia's Social Services</u>, Melbourne University Press, 2022; Farrow, Kelly, Hurley, Sam and Sturrock, Robert, <u>Grand Alibis: How Declining Public Sector</u> <u>Capability Affects Services for the Disadvantaged</u>, Centre for Policy Development, 2015; for a recent example of for-profit behaviour in care services see, Morton, Rick, <u>'Exclusive: How the TriCare empire spun off as a</u> <u>non-profit'</u>, The Saturday Paper, July 1-7 2023.



¹³ Policy Goal 3, Draft Strategy, page 42-46.

¹⁴ Draft Strategy, page 44.



Consistent with our other comments above, ACOSS recommends that the Taskforce more thoroughly interrogate the efficacy of markets and the role of provider profitability, and reframe the Draft Strategy to focus on care and support service systems.

3.2 Productivity growth in service delivery

The Draft Strategy should explain what is meant by 'productivity growth' in care and support service systems, and how it will be achieved without comprising service quality or accessibility, as well as pay, conditions and job security for workers.

ACOSS strongly supports the Draft Strategy when it acknowledges 'public funding of high-quality care and support provision is an investment in social infrastructure. It provides long-term benefits (returns) as well as wider public benefits that accrue beyond the direct users (infrastructure)'.¹⁶ However, the Draft Strategy caveats this investment by stating that for 'Government investment to be both effective and efficient...will require productivity growth across the care and support economy'.¹⁷

When it comes to grant-based community services, we already know that our sector is struggling to fully meet the high and complex levels of need among people seeking to access services. For instance, in the 2022 findings of the Australian Community Sector Survey, only 3 per cent of participants said their main service could always meet demand. A total of 39 per cent of respondents said wait times for their services had increased, 32 per cent had turned people away due to lack of capacity, and 30 per cent were referring people to other services due to lack of capacity.¹⁸ Given the level of unmet need in the community, strengthening investment in the capacity and capability of the sector is vital as opposed to a focus on productivity growth.

The Taskforce should provide more clarity about what it perceives as the role of 'productivity' in care and support services, how it is to be measured, how growth is to be tracked, and how it leads to be improved person-centred, innovative, quality community care, and better workforce arrangements. Given the way that productivity is currently framed in the Draft Strategy there is considerable risk that term is used to pursue reductions or 'efficiencies' in investing in services, accelerate digitisation or automation of services, seek to reduce staffing levels as well as other overheads and ultimately jeopardise quality of services and the vitality of the workforce.¹⁹ Also, the Draft Strategy

¹⁶ Draft Strategy, page 11.

¹⁷ Draft Strategy, page 43.

¹⁸ Cortis, N. and Blaxland, M, <u>Helping people in need during a cost-of-living crisis: findings from the</u> <u>Australian Community Sector Survey</u>, 2022, page 9.

¹⁹ See also Cortis, N. and Blaxland, M, <u>Helping people in need during a cost-of-living crisis: findings from the</u> <u>Australian Community Sector Survey</u>, 2022; <u>ACOSS response to Productivity Commission Report into Human</u> <u>Services March 2018</u>; Farrow, Kelly, Hurley, Sam and Sturrock, Robert, <u>Grand Alibis: How Declining Public</u> <u>Sector Capability Affects Services for the Disadvantaged</u>, Centre for Policy Development, 2015; Tennant,



does not take into account Australia's relatively low levels of taxation and public investment compared to other OECD nations, explored further in the next section.

Any examination of Productivity Growth should also align with the government's *Measuring What Matters Framework* and its examination of value and wellbeing.

3.3 Consumer contributions to service costs

The Draft Strategy places importance on the role of consumer contributions to care and support services stating, `[f]uture policy work needs to consider the appropriate level of care and support the Government funds, the level of funding, and the relative financial contribution of the Government and individuals needed to deliver the quality services Australians rely on'.²⁰

Firstly, ACOSS opposes any policy reform that threatens to undermine the universality of care and support services, including equitable access for people on low income, in poverty, disadvantage and hardship. Increasing reliance on consumer co-contributions is antithetical to universality.

Secondly, the Draft Strategy should explicitly acknowledge that ours is a comparably low taxation country and that this significantly limits our public investment and curtails our public policy outcomes. Australia is the 10th lowest taxing country among the 36 OECD nations, with the 6th lowest public expenditure.²¹ People are being made to unnecessarily struggle and suffer, highlighted by the fact Australia has the lowest benefit replacement rate in the OECD.²² The Draft Strategy should provide this important overarching context as part of examining sustainable funding of services.

Thirdly, the Taskforce should properly acknowledge the range of policy options available to government to equitably and sustainably raise additional revenue for investing in care and support services, and the associated workforce, without increasing the direct financial burden on people using services, especially those on low incomes.

David, '<u>Productivity – not the most important ingredient in human services'</u>, *The Power to Persuade*, 31 August 2020;

²⁰ Draft Strategy, page 44.

²¹ Please see available figures via <u>OECD.stat</u>, produced by Organisation for Economic Cooperation and Development.

²² Please see available figures via <u>OECD.stat</u>, produced by Organisation for Economic Cooperation and Development.



For example, to help fund relevant services, the Federal Government could:

- not proceed with the 'Stage 3' tax cuts,
- replace tax concessions for superannuation contributions with a fairer and simpler annual rebate,
- introduce a 15% levy on superannuation fund earnings after retirement to guarantee universal access to quality aged care services, and/or
- tax investment income more fairly and consistently.

The <u>ACOSS Budget Priorities Statement for 2023-24</u> sets out further detail on these and other fiscal proposals that maintain the progressive nature of the taxation system while also improving its fairness and efficiency in order to fund quality, universal care and support services.

If the Draft Strategy intends to examine how to fund services, then it must more rigorously identify revenue options.

Recommendation 3:

That the Taskforce in finalising the Draft Strategy:

- ensures government investing in care and support service systems over the long-term is a top priority, to improve service quality, workforce arrangements and outcomes for people using services.
- should not prioritise 'market sustainability' as an objective to be achieved under Policy Goal 3, nor emphasise the importance of 'provider profitability' to maintain market 'stability'
- should not look to prioritise increasing the role of consumer contributions.²³

4. Government as the guarantor of workforce pay and conditions

ACOSS commends the Taskforce for prioritising the needs and interests of workers in care and support service systems and for recognising their importance in delivering quality services to people, as well as their economic and social contribution to the community.

As acknowledged in the Draft Strategy, the workforce in these service systems is predominately female, and typically struggles with inadequate pay and conditions, physically and emotionally demanding work and job insecurity. It is critical that workers in the current system are better treated, and that investment in the skills and capacity of the workforce is strengthened to fill projected workforce shortages into the future.

Central to the Draft Strategy must be the fact that Commonwealth, state and territory governments remain the main funders of care and support services



²³ See Policy Goal 3, Draft Strategy, page 42-46.



and as such must be the guarantors for improving workforce pay, conditions and job security over time. Recent changes to Australia's industrial relations system as legislated in the *Fair Work Legislation Amendment (Secure Jobs, Better Bay) Act 2022*, reinforce this fact.

The Draft Strategy acknowledges that 'government plays a big role in setting care and support prices, through regulation and price capping', and that '[i]n a fiscally constrained environment, higher pay in care and support services funded by the Government needs to be carefully balanced'.²⁴ We recommend the Draft Strategy go further, and more clearly and explicitly acknowledge the role of government in improving pay, conditions and workplace arrangements for workers, including in collective bargaining negotiations, funding pay increases determined by the Fair Work Commission or other relevant bodies, and addressing gender inequity in the workforce.

Additionally, we note that the Draft Strategy states that '[n]on-traditional business models such as those in the gig economy may have the potential to deliver good quality of care and support, and to operate efficiently'.²⁵ It also acknowledges some of the challenges for workers, including lack of bargaining power and autonomy over work, and failure to meet community expectations and labour standards.²⁶ ACOSS' position is that the 'gig economy' model of employment is another major barrier to quality jobs and care, especially in home care and NDIS settings. Too many care workers in these sectors must manage a number of separate jobs (for which they are paid by a provider or by people using services directly), which may leave them with too much work in one week and too little in the next. Even when employed by a single employer, they may not be guaranteed regular hours of paid work. Many leave the sector for this reason.²⁷

We recommend that the Draft Strategy focus on promoting a shift from precarious 'gig economy' forms of employment towards jobs that offer decent pay and adequate, regular paid working hours suited to individual circumstances.

Recommendation 4:

That the Taskforce, in finalising the Draft Strategy:

 more clearly and explicitly acknowledge the role of government in improving wages, conditions and job security in care and support services, including its role in collective bargaining negotiations, funding

²⁴ Draft Strategy, pages 31-32.

²⁵ Draft Strategy page 24.

²⁶ Draft Strategy pages 24 & 39

²⁷ See also ACOSS, <u>Restoring full employment: Policies for the Jobs and Skills Summit</u>, 2022, pages 54-59.



pay increases determined by the Fair Work Commission or other relevant bodies, and addressing gender inequity in the workforce.

 focus on promoting a shift from precarious 'gig economy' forms of employment towards jobs that offer decent pay and adequate, regular paid working hours suited to individual circumstances.

5. Safeguards for automated decision making and digital platforms

As part of its examination of productivity, the Draft Strategy states, `[a]t face value, it seems difficult to make productivity gains in care and support sectors because they are about human relationships and cannot be automated or replaced by machines. However, there are opportunities for productivity gains which must be pursued'.²⁸ In addition to our earlier remarks about the problematic use of productivity as a concept in this work, we recommend the Taskforce acknowledge the need for strong regulatory safeguards and feedback mechanisms when considering how to further deploy automation or digitalisation in service delivery.

The Royal Commission into Robodebt has revealed the catastrophic outcomes that can occur when government inexpertly relies on algorithmic models and automated decision-making to make judgements on levels of service and support for people in need. At all times and in all aspects of service delivery, there must be strong safeguards available to people using services to prevent the risk of harm due to incorrect or unfair automated decisions, and to urgently seek remedy or redress by persons affected and their advocates. Similarly, engagement mechanisms must be developed between government and service providers to rapidly provide similar feedback to departments and policy makers at the first detection of systemic failure, harm or maladministration.

It is vital that we learn the lessons from the Robodebt disaster and ensure no vulnerable person is ever subject to similar experiences again and that our public administration is more protective of their lives.

Recommendation 5:

That the Draft Strategy incorporate the need for strong safeguards and feedback mechanisms to protect people using services from poor outcomes due to automated decision making and further digitisation of care and support services.

6. Improve processes in delivering the Draft Strategy

ACOSS appreciates the Taskforce had tight deadlines to initially produce the Draft Strategy. However, given the importance and complexity of this work, it is essential that proposed reform is built on a rigorous evidence base via a



²⁸ Draft Strategy, page 46.



methodical and a more transparent policy development process. For instance, stakeholders were only given four weeks to provide submission to the Draft Strategy, despite the broad scope of the proposed work mentioned above.

The scope of this inquiry includes developing a 'common understanding of what constitutes the care and support economy' and to provide a 'holistic view' across the care and support economy. It is incredibly difficult to achieve such a common understanding with the existing consultation approach.

The Taskforce needs to significantly strengthen its consultation and collaboration approach in order to successfully finalise and implement work related to the Draft Strategy. We recommend the Taskforce detail its collaboration and consultation method for this entire project, including the following:

- intended objectives for specific pieces of work
- key milestones for specific pieces of work
- how the Taskforce will develop the evidence base for policy proposals
- identifying stakeholders in and outside government to be involved
- mechanisms for seeking input and expertise from stakeholders
- how policy development will align with concurrent, related policy review processes ongoing in the Federal Government, and
- cross-government and inter-government consultation mechanisms

These items should be in addition to the high-level roadmap contained in the Draft Strategy and more clearly define the scope of the work.

This detail must include proposed ways for community sector workers and people using services, people with lived experience, to meaningfully contribute to the ongoing work of the Taskforce.

Given that the Draft Strategy acknowledges the risk of policies made in silos, we think that a proper whole-of-government approach is imperative, including with relevant Departments in states and territories.²⁹ This can build on the Taskforce's creation of the Deputy-Secretary level Inter-Departmental Committee. In particular, the Taskforce should ensure its work is not duplicating other relevant, concurrent policy reform processes including but not limited to those listed in the Draft Strategy's Roadmap.³⁰

Recommendation 6:

The Taskforce significantly improve its consultation processes in delivering work associated with the Strategy to ensure they are authentic, accessible and ongoing. In doing so, it must improve its collaboration with the community sector.

³⁰ Draft Strategy, page 4; see also the work of the <u>Community Services Advisory Group (CSAG)</u> led by the Department of Social Services.



²⁹ Draft Strategy, page 6.



Conclusion

We commend the Taskforce for its efforts to date, and look forward to staying engaged with the work of the Taskforce and would welcome further, ongoing engagement throughout this process.

We remain willing to connect the Taskforce to the expertise and experience of our many members as well.

Once again, we appreciate the opportunity to contribute to this process.

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