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"Non-government welfare organizations - policies and politics"

to A.P.R.O.S., Katoomba, 13th March 1982

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A.P.R.O.S.

NON-GOVERNMENT WELFARE ORGANIZATIONS —
POLICIES AND POLITICS

Adam Graycar

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Non-government welfare organizations have existed in Australia since the very earliest days. They have gone by a number of names — at times called charities, at times voluntary organizations, at times benevolent societies etc. It is common to refer to something called "the voluntary sector" but the range of organizations that exists here is far too diverse to be welded together into a single sector. The term voluntary itself is sometimes misleading because these organizations by and large operate with paid professional staff; they operate with substantial funding in some cases and rather than use the term voluntary I prefer to use the term non-government welfare organizations: (NGWOs).

NGWOs do a wide variety of things — sometimes they

- provide services to individuals,
- provide material aid,
- are involved in social action,
- provide services which extend the services of the State,
- act as opponents to the State,
- provide services which are alternatives to those provided by the State,
- act sometimes just as lobby groups.

In most modern industrial societies there are four sectors which can be identified as providing most of the "social care" — the statutory, the commercial, the NGWOs, and the informal. Although I said just a moment ago

I do not regard NGWOs as constituting a sector they must however be distinguished from statutory, commercial and informal systems of care. Self-help groups are a little difficult to categorize because more often than not they straddle the gap between informal systems of care and the NGWOs. NGWOs vary enormously from large traditional agencies providing care in a fairly organised and hierarchical manner (found particularly in some of the residential settings dealing with disabled and elderly people) right through to very small community groups which have been established to meet a particular need and run largely by consumers themselves.

The first attempt at a number of NGWOs in Australia came from Peter Bailey in 1977 when he estimated there were somewhere between 15,000 and 60,000 NGWOs in Australia. If Bill Russell had difficulty identifying government bodies in Victoria you can imagine the difficulty we had identifying NGWOs in Australia. At the Social Welfare Research Centre we've conducted a study which tries to identify the number of NGWOs and developed a classification. Our survey indicates there are approximately 37,000 non-government welfare organizations — but this figure is a little rubbery because it depends on how one does the statistical extrapolation. But nevertheless these 37,000 organizations have an annual budget of around a billion dollars a year of which around 62 per cent or \$620.m. is government money. About 70 per cent of the government money comes from the Commonwealth. About 30 per cent comes from State Government. Only a very small proportion comes from local government. Interesting questions of course arise when one starts to ask what sorts of expectations government has for that expenditure. What does government want in return for this expenditure?

There are many fascinating policy questions and many fascinating political questions

*Questions about the number of organizations —

Why are there so many — is it a genuine community thrust — or is it an abdication of government responsibility — is it an example of aggressive pluralism — is it an example of free market choice?

*Questions of accountability —

What accountability issues are at stake — if largely or totally dependent on government funds how do organizations account? This also includes questions of autonomy. If these organizations are non-government how autonomous can they be given their degree of dependency?

*Questions about responsibility —

Whose responsibility is social care? How do government and non-government organizations together determine responsibility and service development? Is one a policy-making body and the other the delivery-body or is that too simple a question?

*Questions about political party approaches —

Do NGWOs thrive more under one political party than another? One would assume that most NGWOs would fit more comfortably with free market philosophies and small state philosophies. One of the greatest growth periods of NGWOs was during the Whitlam government. Is NGWO activity non-partisan?

*Questions about the relationship within the welfare state —

What factors explain the growth of NGWOs? Why have NGWOs grown most when the welfare state was at its most active (is this not a contradiction in terms?) Was the growth a reflection of government not being able to cope with growing human need? Or was it a question of government not wanting to cope and happy to have other organizations providing services?

*There are also questions about efficiency, about cost-effectiveness, about whether it is cheaper for government.

These questions might outline some of the research questions that could be followed, but it might be worth presenting just a little bit of data that dispells some of the myths and helps understand some of the broader questions.

We ran a long and difficult questionnaire through a very carefully stratified sample of these 37,000 organizations. We were very happy with the response and we have around 600 completed questionnaires and a print-out which is incredibly thick. It's going to take us a long time to analyse all of the data.

The earliest organization in our sample came into existence in 1839 but it is of interest to note that one-half of the organizations in our sample had been formed since 1970. It's interesting also to note that 15 per cent of all the NGWOs in operation today came into existence in 1973-4 or 5, and in particular it's interesting to note that one quarter came into being since 1976. What we don't know yet is whether this rapid expansion is something that reflects the times or whether organizations have always proliferated at this rate and then disappeared at just as quickly. We don't know whether many of the new organizations are specific purpose organizations with short life span or whether they are here to stay. Nevertheless it will be interesting to monitor the progress of some of the organizations.

61 per cent of the organizations were started by a small group of individuals with some sort of common problem or some sort of common need. 19 per cent of the organizations were started by parent organizations, for example branches of organizations such as Red Cross or St. Vincent de Paul. Traditionally it was thought that religious motives were strong in developing organizations. 27 per cent had some religious input in their establishment, 73 per cent did

not. One quarter of the organizations dealt with disability. This reflected those organizations that came together to deal with common problems or needs. 14 per cent came together to deal with child care and other substantial numbers of organizations deal with family support, elderly people, drug rehabilitation, alcohol abuse, single parents.

One of our questions asked what sort of policy role was played by Federal, State, and local Governments in the operations of the NGWOs. The Federal Government had "a major" policy role in 20 per cent of the organizations, "some policy role" in 30 per cent of the organizations and no policy role in 50 per cent of the organizations. The State Government had a "major" policy role in 18 per cent of the organizations, "some policy role" in 42 per cent of the organizations and no policy role in 40 per cent of the organizations. Local Government "had a major" policy role in 5 per cent of the organizations, "some policy role" in 28 per cent of the organizations and "no policy role" in 67 per cent of the organizations. These are important data and we will be analysing them further to determine other aspects of government input.

Some of the organizations are large employers of staff. One we found, organizations employing up to 582 full-time paid staff and up to 3,000 part-time paid staff in one organization. This varied right down to a small group of volunteers in some organizations. There are many interesting industrial issues in dealing with staffing arrangements. Many people working in the smaller organizations had been poor working conditions — they eaked out a fairly meagre subsistence on the fairly meagre grant. Many organizations used volunteers — many had paid staffers but the grant was not sufficient to pay them for all the work that they did. Employment was very precarious in some cases and as a result there was no continuity or certainty. In contrast some of the larger organizations operated as fully fledged

bureaucracies and were able to provide a great deal of stability and good working conditions.

In addition to this large survey we've recently completed two pieces of work, one is a study of government funding of non-government organizations in Western Australia. That has been written up and published. The other which is in the process of being written up is a study of the expectations that government officers have of non-government organizations. In our Western Australian study we dealt with large service provision agencies in the area of disability and we found a fairly wide range of dependence on government funding. We dealt with all of the organizations in Perth that provided services for disabled people under the Handicapped Persons Assistance Act. There were fourteen in all. Its interesting to note that five of the fourteen had annual budgets of \$2 m. or more. It's also interesting to note that their reliance on government funding varied from 11 per cent of their total budget to 84 per cent of their total budget. The interesting thing in the West was that roughly equal amounts came from State government and Commonwealth government sources. But there were very different arrangements in the way in which the funds were received from the two governments. Funds from Commonwealth government came under legislation and all of the funding went through very rigorous processes with lots of scrutiny by public service officers. This irritated the hell out of most of our respondents. On the other hand funding from the State government came very much on an informal basis — people in the agencies dealt with the Premier more often than not and an amount of money seemed to come. In both the Commonwealth and the State cases however there were no formal accountability procedures. Of course there were procedures to ensure there was no financial impropriety but there was no accountability for the quality of the programs or for the relevance of the programs.

We've written up the funding process in some considerable detail in our publication. What was interesting however overall was that the traditional literature in the field argues that NGWOs by and large are innovative, experimental, can provide alternative care, can offer better choices to consumers, and are more flexible. In our study we found that this simply wasn't so, that they weren't innovative, they weren't experimental, they weren't consumer^{IST}ous, they weren't advocacy oriented, they weren't regularly critical of government, yet they kept on getting funded again and again. To some extent, government, particularly the Commonwealth government, was locked in to a funding arrangement. Under the Acts most of the funding goes for capital works on a 4 to 1 basis. Once the capital infrastructure had been laid it would be very hard to withdraw support because the investment was already there. To withdraw support would almost invariably bring about a political outcry.

One of the interesting pieces of work that needs to be done is to distinguish between the roles of the large traditional agencies and the small community groups. These both have different sorts of motives, different organizational forms, and different sorts of directions. Of course there are different funding arrangements for these two types of organizations but there are important issues at stake in understanding the relationship between the public and the private in social welfare organizations.

Some of the sorts of future research issues might include

- are NGWOs a vehicle of government policy?
- are they cost effective, if so, to what end?
- how do they straddle public and private?
- how do they deal with labour relations (particularly those operating on shoestring budgets and fostering a secondary labour market)?
- how do they deal with the informal care arrangements that dominate our society?

- where do self-help groups fit in?
- to what extent do they influence public policy?
- to what extent do they further social justice?
- to what extent are they just other hierarchical bureaucratic organizations?
- what expectations does government have in return for the funds that it allocates?
- where do these organizations fit in to the contemporary welfare state?
- how do these organizations operate in times of budgetary constraints?