



Australian Government
Department of Social Services

Serena Wilson PSM
Deputy Secretary

Human Services Inquiry
Productivity Commission
Locked Bag 2, Collins Street East
Melbourne VIC 8003

Dear Commissioner

On behalf of the Department of Social Services, I would like to present our submission in response to the Productivity Commission's issues paper, Human Services: Identifying Sectors for Reform.

The Department's core mission is improving the wellbeing of people and families in Australia, particularly those most likely to experience poor lifetime outcomes. To achieve this mission, the Department uses the most appropriate delivery mechanism to achieve these outcomes including competition, contestability, user choice, collaboration and direct provision. In some instances, the Department has expanded its use of competition and contestability, as evidenced in its recent grants reforms, and user choice and control is at the heart of the National Disability Insurance Scheme reforms. However, collaboration remains an essential element to any successful policy reform that applies the principles of competition, contestability and user choice. The Department also recognises that these principles will not always be appropriate or effective in improving outcomes.

As such, the Department's submission does not identify specific sectors for reform but focuses instead on outlining the market conditions and user characteristics of the community service sectors that the Department works in, and relates these to the applicability of competition, contestability and user choice.

If you have any further questions regarding this submission please contact Dr Tim Reddel, Group Manager, Policy Office

Yours sincerely

Serena Wilson

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2 July 2016

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