

26 October 2016

To Whom It May Concern,

Thank you for the opportunity to provide a response to Productivity Commission's preliminary findings report on Introducing Competition and Informed User Choice into Human Services: Identifying Sectors for Reform. Please find our submission attached.

QNADA represents a dynamic and broad-reaching specialist network of non-government alcohol and other drug (NGO AOD) treatment and harm reduction services across Queensland. We have 39 member organisations, representing the majority of specialist NGO AOD providers.

QNADA would be happy to provide further information, or discuss any aspect of this submission.

Please don't hesitate to contact me

Yours sincerely

Rebecca MacBean

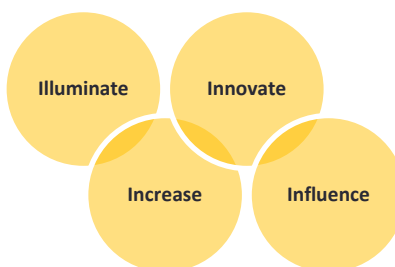
CEO



Response to Introducing Competition and Informed User Choice into Human Services: Identifying Sectors for Reform.

QNADA Vision

A cohesive, sustainable and high quality NGO AOD sector, that delivers the best possible outcomes for the Queensland Community. Four overarching strategies have been developed to support achievement of our vision



October 2016

This submission has been prepared by the Queensland Network of Alcohol and Other Drug Agencies (QNADA). The content of this submission has been informed by consultation with QNADA member organisations providing alcohol and other drug (AOD) treatment services in Queensland. QNADA members provide grant-based services and are directly impacted by issues related to competition and contestability.

QNADA agrees with the Report's recognition that 'not all services are suited to greater competition, contestability and user choice',¹ and argues this is the case for the non-government alcohol and other drug (NGO AOD) treatment sector. People who experience problematic substance use are often the most disadvantaged in the community. The stigma associated with substance use translates to a lack of resources being allocated to treatment services, which in turn impacts service user 'support needed to exercise informed choice'.²

The AOD sector is under-resourced and our concern is that in an under-resourced service system, competition and contestability could undermine system integration. We are further concerned that the stop-start nature of short term funding arrangements impacts the development of a skilled workforce, as people seek more stable employment, which ultimately further disadvantages those who are most vulnerable.

In a competitive market, services look to gain a competitive edge. While this may increase efficiency and quality of services where there are adequate resources, in under-resourced sectors it can create an environment where interventions become commodities and services become reluctant to share their innovations. This in turn can stifle the development of evidence-based/informed practice and collaboration, leading to fragmentation of services. This results in undesirable outcomes for clients.

The simple act of 'finding efficiencies' assumes that resources are being wasted or underutilised. We argue that it is not possible to build a legitimate AOD treatment system, where efficiencies can be found, without first providing a stable funding environment. As a system which is dual Commonwealth and State funded, the AOD treatment system has been subjected to short term contract extensions from either funder since 2012, which has impacted the maintenance of a skilled workforce, as well as access to services for people experiencing problems related to their substance use.

Finally, QNADA agrees that 'better use of data could help service providers and governments identify and disseminate effective practices'. In addition, we agree that outcomes measurement is necessary to ensure continued accountability to clients, funding bodies and work that is based on the best available evidence. Outcomes measures need to be co-designed with the sector to ensure they are realistic and meaningful. Risks of services 'cherry picking' clients who they know will be more likely to show 'good outcomes', rather than the clients most in need, also need to be managed carefully. QNADA is currently working with the AOD sector in Queensland to develop an agreed statewide AOD outcomes framework and is happy to provide further comment upon request.

¹ Productivity Commission, *Introducing Competition and Informed User Choice into Human Services: Identifying Sectors for Reform* (2016), 10.

² Productivity Commission, *above n 1*, 10.

About the Queensland Network of Alcohol and Other Drug Agencies (QNADA)

QNADA is the peak organisation representing the views of 39 NGO AOD organisations. Through our knowledge of the sector, network of experienced members and links across complementary human service delivery sectors, QNADA is well placed to provide practical advice and front-line service delivery experiences to inform policy and program advancement for the sector.