

Human Services. A free market solution?

I do not normally make submissions to the Productivity Commission but I was prompted to respond when I saw that an investigation of free market style solutions was being proposed for a variety of Human Services. Improvement, whether it is to effectiveness, policy or efficiency is familiar to those of us who either have, or continue to work in this field. I have worked in the health and welfare field for 33 years and it is a sector which has been subject to almost constant change. However I sense very different motives behind the call for this commissions report. The emphasis appears to be solely concerned with money.

Co-operation: Most human services rely on co-operation and preferably collaboration between services. Introduction of a competitive structure will destroy much of this co-operative spirit. The reason co-operation is important is that in order for the best outcomes for clients to occur many individuals and organisations are needed to work together. If these organisations are going to be in competition for scarce funds it will not be in their direct interest to co-operate. Competition for scarce funds is not conducive to trust between organisations.

Another positive consequence of co-operation is the sharing of knowledge and expertise. There will be no incentive for organisations to do this if they are competing with each other.

Dollar versus human values: There is already an insidious march of money versus the interests of clients happening in the Human Services sector. Human services are dependent upon funding and the increasing practice of either government funds being directed towards targeted individuals, such as in the case of the employment market or the funds associated with compensable clients has led to a lot of organisations chasing money. The pursuit is necessary in order to complement shortfalls in funding and an expectation that organisations will be business savvy. The effect is that those people who are not paying clients go to the back of the queue or potentially receive a lesser service. It is only through the vigilance of service providers that these inequities do not proliferate. The current discussion hints that this business model will be the norm.

Human Services work often with very vulnerable people and their circumstances are often very complex. Solutions often do not fit into nice neat time frames. If one is watching constantly on the pure economics of the services involvement rather than outcome, the whole exercise will be compromised from the start. While economic considerations are always a factor they must not be the dominant factor. Alleviating hardship for individuals is a very long and expensive exercise.

The long term nature of Human Services work: As this investigation is meant to consider the funding of organisations who provide services to people experiencing domestic violence or accommodation crisis to name two examples, it must be said that this sector generally works over very long and often interrupted time frames. A client may come in and out of a service many times in order to finally move to a better circumstance in their life. This is not the fault of the individual or the agency providing the service but a reality of working on complex human problems. An important factor in working with people is that of trust. If a person develops a trust in a service they will return to that service. I would hate to see a situation develop where organisations are not able to develop deep roots in their communities due to instability of funds. People don't shop around for services

like they shop around for consumables. They rely on their own experience and the experience of others to guide them.

Process driven: A very safe model to work from if you are working for profit is to have a well defined process. Unfortunately people and their needs are not conducive to this. To successfully deliver service you are required to be flexible in your approach in how you deliver services. People are diverse and their needs are diverse. If your objective is profit then you will choose those clients who fit your model. This model will need to many people being excluded.

Rural communities: Rural communities usually have far fewer resources and therefore far less chance to make choices. For example those people experiencing homelessness, their maybe only one provider. Competitiveness is not going to change this or improve the services offered. Secondly organisations in rural communities will also have a far more limited pool of people to choose from for staff. Recruiting and retaining trained and qualified staff in rural communities is a battle for most organisations whether they be government departments, not for profit or for profit organisations. Again the business models proposed will do nothing for this issue.

Values: Human services are driven by values. They are usually centred around fairness , equality, access, tolerance. How can an organisation that is devoted to profit be really concerned for these values? Won't there be inevitable conflict with the profit motive? Can we ensure that the pursuit of profit is not at the expense of human need? Whilst there will be no shortage of individuals or entities prepared to operate for profit and achieve that, the point surely is to meet the needs of our clients. I don't believe that the two are compatible.