



**Inquiry into the Contribution of the Not for Profit Sector
Productivity Commission Issues Paper
*April 2009***



**Submission on behalf of
Working Women's Centre South Australia
Northern Territory Working Women's Centre
and
Queensland Working Women's Service**



The Working Women Centres in South Australia and the Northern Territory and the Queensland Working Women's Service are community organisations which support women employees whatever their age, ethnicity or work status by providing a free and confidential service on work related issues. The Centres work primarily with women who are not represented by a union, their own lawyer or other advocate.

The Working Women's Centre opened in 1979 in South Australia and in 1994 in the Northern Territory and Queensland. All three Centres are small organisations which rely on funding from the Commonwealth (SA and NT), State (SA and Qld) and Territory governments (NT). All Centres offer family friendly practices with a paid parental leave scheme of 6 weeks full pay in NT, 14 weeks full pay in SA and 16 weeks in Qld. Many women who contact our Centres work in very precarious areas of work.

The Centres also conduct research and project work on a range of issues that women experience in relation to work such as access to child care, RSI, outwork, family friendly practices, OHS&W, workplace bullying, Community Development Employment Project, work/life balance and the impact of domestic violence on women workers and their workplaces. Although some of the issues have changed for women, the work that we do at the Centres remains consistent with the philosophy since setting up.

**Contribution of the Not for Profit Sector
Productivity Commission**

26 May 2009

1 Scope of the study p6

Comments are invited on the Commission's proposed approach of adopting a broad view of the sector for the purposes of assessing its contribution and narrowing the study's focus to consider the specific policy and capacity issues raised in the terms of reference. P12

Comments are invited on whether the findings and recommendations of previous inquiries remain relevant to the operations of the not for profit sector. Of those that continue to be relevant, and have not been acted on by government, which are the most important for improving the efficiency and effectiveness of the sector? P15

2 Measuring the contribution of the not for profit sector p16

Existing measures of the contribution of the sector p16

Comments are invited on how well previous Australian studies have captured the contributions of the sector, particularly whether there are significant gaps in coverage or methodological measurement issues. P18

Comments are invited on these, or any other, international studies of the contribution of the not for profit sector and their relevance to measuring the contribution of the sector in Australia. The Commission would also welcome information on studies undertaken by not for profit organisations to assess their own contributions. P18

- Like most community organisations Working Women's Centres have been subjected to reviews conducted by government departments. The most recent of these was completed by DEEWR in December 08/January 09 but to date we have not been provided with an outcome of this review or a report of its findings. It did not specifically concentrate only on measurement of our contribution but did look at this. In accordance with our contract for funding we measure outputs including quantitative data like how many calls for specialised assistance we responded to and how many of these became case work clients, how many information seminars we deliver etc. We also measure and report on client satisfaction with our service. We are repeatedly told that the advocacy we provide adds value to the processes within various jurisdictions where our clients take matters for conciliation but we don't formally measure this aspect of our work.
- Given that we know there are many more women who experience workplace issues that have a negative economic impact on them and given that we know many of these women will not approach Centrelink when they may be eligible for benefits or because they are not eligible for benefits we are unsure of what 100% of the potential contribution of our organisation actually is (for specialised assistance and intensive case work) or how we could measure this. We often hear the phrase 'you are probably only hearing from a percentage of women who need your help and only servicing the tip of the iceberg'. We are interested in what the rest of the iceberg or the unmet demand looks like – potentially it is every woman who is not a member of a trade union. Given that our staff are already carrying huge case loads which limits our capacity to respond to even more women and given that our budget for advertising is extremely limited (and that one-off advertisements for our service tend only to attract those women who have a workplace issue on that day) we rely on word of mouth and our referral agencies to help women find us. Organisations like ours are often caught in this bind between wanting more people to know about us but not having any more capacity to deal with an influx of clients. Having a tool which would realistically assess the 'real' demand for our services would hopefully assist us to argue for a more realistic level of funding so that we could advertise and be confident of having the capacity of meeting the need.
- Research conducted by the Queensland University of Technology in 2005 examined data collected by the Queensland Working Women's Service about the frequency, outcomes and processes of cases undertaken by the Service on behalf of women. The studies identified specific areas where women are disadvantaged in the workplace and examined likely avenues to redress unlawful and unfair treatment. It also concluded that access to the service was valuable in raising awareness of the issues dealt with by the Service generally. (Macdonald and Dear 2005, 2006)

The nature of the contribution of not for profit organisations p18

What makes not for profit organisations different? p18

Contributions are invited on this, or other means, of categorising the roles and modalities of the sector. P21

- Working Women's Centres provide gender specific services to non-union women

experiencing problems in their workplaces. Typically our clients work in precarious or isolated areas of work where they have no access to assistance apart from their employer. Working Women's Centres are specialists at working with women, taking in to account the systemic workplace barriers that women face, the multiple dimensions of women's lives and the impact of workplace conflict on all areas of their lives. Our Industrial Officers take the time needed to understand and assess the full story of a woman's workplace issue and assess her options within the context of her other priorities - for instance if a woman is undergoing performance management because she is experiencing domestic violence we provide an industrial service but also referrals to other agencies relevant to her needs and wishes.

- Our staff are able to explain the law and options available to women in ways that make sense and empower them, rather than to disempower them by using language and terminology they don't relate to. Helpline services offered by governments do not do this. We don't measure our outputs by the length of phone calls or visits.
- Despite being a specialist service and there still being ample evidence of women's vulnerability in the employment sector, we are being asked to justify more often by government funders why there should be a women specific service.
- We can also use the information gathered from women's experiences to lobby and advocate on policy issues to governments – something that government can't do and something that vulnerable women at the lower end of the labour market are not always equipped to do. By lobbying and representing the needs of vulnerable women workers Working Women's Centres have added significant value to policy areas like Mandatory Codes for Outworkers, sexual harassment law, workplace bullying policy within OHS&W laws, discrimination law, paid parental leave, gender pay equity and work/life balance.
- Whilst we can measure the amount of money we have recovered for women in lost entitlements, settlements for damages, compensation for injury to feelings etc and whilst we can provide anecdotal evidence from our clients about the importance of recovering money whilst in the transition from one job to another, we do not measure the wider benefit to the economy of a woman having money she was entitled to but didn't receive until our intervention, to pay bills, feed her family, etc. We are careful about advertising this widely as a positive measure for fear of a backlash from the small business sector who often speak about money paid out for unfair dismissal in derogatory terms, calling it 'go away' money. This argument was also touted by business organisations during the negotiations to get rid of WorkChoices claiming that any return to better remedies for workers who had been unfairly or unlawfully dismissed would result in a disincentive to employ. Obviously there are enormous economic benefits to society of a woman having money to tide her over from one job to the next if it means (as it does for many women) having secure accommodation, keeping her children fed and at school and paying for utilities like water and electricity. There are costs also if women do not find alternative employment quickly. Keeping women engaged and ensuring they have the means to find productive work as quickly as possible all need to be measured.
- It could be valid to say that to measure what would happen without our intervention might be as good a measure as one that measures what we do contribute.

A conceptual framework for measuring the contribution of the sector p21

Do you agree that a conceptual framework is important? Do you have any suggestions on the key elements of the framework? Are there any specific issues in measuring the contribution of Australian based international development and aid organisations? P23

Participants are invited to comment on appropriate methodologies for evaluating the contribution of the not for profit sector. The Commission is particularly interested in receiving feedback on the appropriateness of using a range of indicators for this purpose. P23

- A conceptual framework that incorporates a range of indicators may well be useful but one might ask, useful for whom? Currently there seems little appreciation and recognition of the work done in the NFP sector. Our organisations have consistently been told over years of operation to do more work with the same amount of money or less. We are told by the funders that they recognise this is not satisfactory and that having to lobby for 12 months funding at a time is not satisfactory but we see little change. If a conceptual framework assists government to understand the NFP sector better and to develop awareness that we are speaking a common language then there may be huge benefit from this. However if a conceptual framework becomes a cumbersome tool that we have to use to justify our existence every year then there are philosophical concerns about this. We don't need more barriers to evaluate our contribution to the sector.
- It may be useful if this conceptual framework was linked to policy agendas of government. i.e. providing a framework to recognise where the sector has been and is successful in identifying emerging issues and meeting policy priorities. A great deal of innovation exists in the sector that is only recognised by government down the track. If a conceptual framework recognised the ability of the sector to quickly respond to community issues then it may be effective to divert resources to the sector purely for this purpose.

Uses of information on the contribution of the sector p24

Comments are invited on the extent to which existing measures of the sector's contribution have been utilised to inform policy development and monitor policy effectiveness, in Australia and other countries. What modifications could be made to improve existing measures? P25

3 Enhancing the efficiency and effectiveness of the not for profit sector p25

Access to human services p25

Not for profit organisations are invited to comment on their experiences with attracting both paid and volunteer workers with the appropriate level of skills. Comments are also invited on the extent to which regulations surrounding the use

of paid and volunteer labour adversely affect the capabilities of not for profit organisations to undertake their activities. Where adverse effects occur, how might these be overcome? P26

- In very small organisations like ours, appropriate support for volunteer programs requires extra resources we don't have. Philosophically we have some difficulties around using volunteer labour to fill gaps created by funding shortfalls. Whilst we recognise that there is often a value to a woman performing volunteer work in that it may assist her to find secure paid work, it is our view that work performed for an organisation advocating for women in workplaces should be paid. Having said that, we do, wherever resources allow, offer short-term work placement opportunities which allow women to gain an understanding of our work and skills, experience and knowledge. Students who come to us to undertake work experience within defined parameters are often easier to accommodate. We do not offer volunteer work that does not fit best practice in terms of there being no set expectations, clear roles etc as we are conscious of not exploiting women who seek volunteer work.
- All paid and volunteer staff have to be incorporated into our insurance policies.
- Our Management Committee roles are all volunteer. Because of our reputation and interest in our work we don't have problems recruiting numbers to our Committees but sometimes getting the appropriate skill match is problematic.
- Despite having in place sound Enterprise Agreements it is recognised that staff contribute hours of unrecognised time contributing to consultations, reviews, meetings, networking, etc that are all required to remain relevant in the community sector environment.
- Because of comparatively low wages compared to the government and private sector it is hard for us to attract staff. Recently it took around 18 months and 2 rounds of advertising in the open market to attract a full time receptionist/client services officer. This highlighted a skills shortage for staff able to bring appropriate skills to a community based organisation that wishes to function in a technologically efficient environment.
- We provide intensive on the job training for our industrial staff as there is no course that will fully equip someone to do this job. When recruiting for any position we look firstly for workers who can demonstrate an understanding of women's place in work and society, along with the ability to advocate. We can teach knowledge of the law, procedures for various Commissions etc and indeed all staff have to undertake regular training in these areas.
- As a women's organisation concerned with promoting work/life balance principles in the community we implement flexible work arrangements for our staff. We are firmly committed to this but it does raise operational considerations when the whole workforce is either part time with casual back up or job sharing roles. NT WWC has an excellent model for offering and managing flexible work practices but it is acknowledged that this takes extra resources for it to work well.
- We have been unsuccessful in attracting PBI status and therefore are unable to offer salary sacrificing as an attraction to staff.

- Higher rates of pay and job security (impossible to offer on an annual funding cycle) would improve our capacity to attract and retain staff.
- The recent Queensland Industrial Pay Equity Test Case and subsequent Qld Community Service and Crisis Assistance Award (2008) was the result of a claim from the Australian Services Union to obtain wage rates that more properly reflect the value of work performed by community service workers and to ensure that their wages don't erode over time because of their incapacity to engage in enterprise bargaining. Although all 3 Working Women's Centres have Certified Agreements above the award, there is no recognition of government funding to accommodate these wage levels.
- In order to attract and retain staff, not for profit organisations need to be able to identify benefits to employees including appropriate industry wages and feel confident that government funding will be sufficient for NFP employers to meet the obligations of Award (or above) permanent contracts,
- Long service leave is another area where because of short term contracts due to short funding agreements, staff do not have the opportunity to accrue these entitlements. Portable Long Service Leave that is supported by Government is one way to address this disadvantage.
- Working Women's Centres as a matter of principle offer paid parental leave in their enterprise agreements. This benefit goes beyond what most NFP organisations (and indeed private sector organisations) offer.

Not for profit organisations are invited to share their thoughts on pre-requisites for success (including 'stand-out models' within the sector). P26

Comments are invited on approaches taken by not for profit organisations in forming partnerships with businesses for improving access to human resources and organisational capabilities and also on any impediments experienced. How might any such impediments be resolved? P26

- Working Women's Centres have difficulty entering into any arrangements with businesses that may compromise the capacity of the Centre to provide a service to a non union woman in a workplace by being seen to have a conflict of interest – for instance if Business X offered a pro bono arrangement to provide resources to the WWC and an employee of Business X then contacted us for assistance because she had a workplace conflict with Business X that would be seen as a conflict of interest and the woman client would be entitled to question whether WWC could provide a safe and impartial service to her.
- WWC SA has in the past engaged in secondments with the State Government where appropriate government employees have been seconded to work as an Industrial Officer for 6 month periods. This results in an increase in our capacity by providing an extra staff member, skilling up for both our substantive staff and the seconded and ongoing professional relationships of benefit to staff and clients of each organisation. This has been a good arrangement and one we would like to continue but have over the last 12 months been constrained by government's capacity to be involved.

- The QWWS has over the past 10 years successfully undertaken a number of secondments with Queensland Government Departments in both directions. This has facilitated skills development of staff and improved networks and understanding of operations. This would be difficult in private sector workplaces for the above reasons.

Access to financial resources p26

Comments are invited on the extent to which institutional arrangements and regulations restrict the financing options available to not for profit organisations. If significant restrictions exist, what options are there to overcome them? P27

- Similar comments to the above re conflict of interest can be made here in relation to seeking donations or sponsorship from corporate businesses in the private sector.
- WWC's do have the capacity to offer some fee for service courses in things like tailored and targeted training for managers and staff in organisations in relation to eliminating sexual harassment or workplace bullying but we are careful to put clear guidelines around this. It is not our policy to get businesses to pay for training as a 'quick fix' to systemic problems. Nor will we come in and do training if there are current problems where women may need to use our service for assistance. We are careful to ensure our training is accompanied by sound workplace policies and clear commitment from the head of the organisation. This can limit our capacity to attract fee for service activities.
- Many activities which we would see as an extension of our core business are deemed to be activities that we should be doing anyway and are already funded for.
- Like many other small organisations the time it takes to develop up submissions for funding is often prohibitive. There are organisations that offer assistance with grant applications – these are open to small organisations if they are members of peak bodies like Volunteering SA – getting to know about them is not always easy for small organisations.

Capacity to innovate and use resources to best effect p28

Comments are invited on what factors are impeding the spread of knowledge among Australian not for profit organisations regarding how well they deliver their outcomes and key drivers of their efficiency and effectiveness in doing so. Similarly, the Commission invites comment on what factors facilitate the spread of such knowledge and how these might be enhanced. P28

- We mainly use our Annual Reports as documents to spread the word about our achievements for the year. We do receive quite a number of requests for this information from women's studies students.
- We know from our funding campaign last year that we have many supporters for our work amongst the NFP sector generally, from previous clients of the Centre, from local MP's who refer women to us for help and from our networks.
- Research undertaken with academic institutions is a further way that information

about our outcomes is disseminated. Most research undertaken by the QWWS has been funded by internal university grants or Australian Research Council Project funding. Providing funding for partnerships with Universities to research outcomes and knowledge would be useful and should be an in built evaluation tool in funding contracts with government agencies. Working Women's Centres have on a number of occasions been community partners in ARC funded projects. Our ability to have first hand contact with women in vulnerable workplace arrangements has allowed us to offer women the chance to have their cases written up in research that extends the capacity for workplace issues for women to be addressed in a broader context.

Comments are invited on the incentives (such as community attitudes and views of donors) on not for profit organisations to operate efficiently and effectively and to take innovative approaches. To what extent do these incentives differ as a result of the funding arrangements faced by an organisation? Are the incentives currently faced by not for profit organisations sufficient to ensure they operate in an efficient and effective manner and if not, what changes are needed to increase those incentives? Are there constraints on innovation, and if so what can be done to remove them? P30

- Generally there is little interest or understanding, apart from within the industrial relations or women's sector, of what we do and the services we provide. Working Women's Centres do not have the appeal to donors for instance that cute little guide dog puppies have.
- Our clients provide evaluations on the service and often support the service with a small donation at the conclusion of their casework, however this support is not likely to be ongoing.
- Constraints on innovation come about by people not having the time or money to update their skills. The offer for community organisations to attend training on web management, IT systems and packages etc would help.

Regulatory environment p30

Comments are invited on whether the governance and accountability regulations faced by not for profit organisations are appropriate and whether they provide sufficient flexibility to account for the diversity of scale and form of not for profit organisations. Where such regulations are deemed inappropriate or impose an unnecessary burden, how might they be improved? For example, are there significant regulatory burdens associated with not for profit organisations across jurisdictions? How might these be addressed? P31

Comments are invited on the extent to which general regulatory reform under the national reform agenda is benefiting not for profit organisations or whether more focussed reforms are needed to benefit the sector. If the latter, what specific reforms might be needed? P31

To what extent are government agencies moving to 'lead provider' relationships – to the potential exclusion of smaller not for profit organisations – and is this compromising diversity of not for profit organisations and the effectiveness of their operations? What options might lessen the potential loss of provider diversity that

such a trend might otherwise cause? P32

- Working Women's Centres have recently been reviewed by the Commonwealth to assess where we might fit within the new structure of Fair Work Australia, badged by the Deputy Prime Minister as the new 'one stop shop' in the lead up to the election and since. Government acknowledges that the services offered by the Working Women's Centre complement and extend the service government can provide and actively refer women to our Centres. However, there is still uncertainty about how we might fit within the new environment. The review that was undertaken also looked at the impact of subsuming our activities into a generalist service i.e. for men and women, similar to what is offered by Community Legal Centres. There has been little understanding of the fact that Working Women's Centres are funded by a completely different source to CLC's and that our operations differ.
- Obviously we are committed to providing a gender specific service to women. We believe we have presented good evidence about why such a service should continue and not be main-streamed. To date we have had no report back from the review.
- In the past State governments have looked at incorporating our role within a government department in the belief that there would be 'efficiency savings' and that this would give our service a 'higher profile' but then realised that this was not feasible.
- Working Women's Centres fear the impact of the States referring their industrial relations powers to the Commonwealth. There is potential for our services to be lost in the federal/State divide that has been problematic in funding arrangements for the provision of services by us for quite some time.

Comments are invited on how the environment within which not for profit organisations operate might be changed to enhance the advocacy role of not for profit organisations. P32

- It is a relief that the famous 'gag clause' , implemented by the previous government, preventing our Centres from speaking publicly about anything (not just about workplace issues for women) has been removed. We have always seen it as our responsibility to raise awareness of current and emerging workplace issues for women and to advocate for policy change. Obviously this clause can be re-instituted under funding requirements at any time in the future.
- Something more is needed to ensure that the NFP sector can speak on behalf of vulnerable people (or more importantly, have our authority to do so acknowledged) even when that may be unpalatable to the funding body.
- There has been some work done on looking at a 'compact' between the NFP sector and government – there is scope for this to be progressed further but there is a fear that the balance in the relationship may be unequal.
- While the Centres are funded to perform individual advocacy, the systemic advocacy is unfunded and not recognised in our funding agreements. Often it is undertaken by staff in a voluntary or extra time capacity. Notably at a time of high

government “review” – for example during the Rudd Government’s first year in office, the opportunities to participate in policy and other reviews are significant. However resources do not always facilitate our fullest participation or require that participation is above and beyond our regular service delivery activities.

4 Service delivery p32

Trends in government funding and service delivery p32

Comments are invited on what constitutes a 'government funded service'. Where possible examples should be provided. P33

Comments are invited on trends in government funded services, including the extent to which governments are funding the traditional activities or new service initiatives of the not for profit sector and the extent to which governments are 'outsourcing' service provision to the not for profit sector.p35

Comments are also invited on experiences in relation to the relative treatment of for-profit and not-for-profit providers in competing for government contracts. Do arrangements at the Commonwealth and State/Territory levels provide competitive neutrality? If not, what features result in unequal treatment and how could this be addressed? P35

- Some of the problems associated with competitive tendering arise when small not for profits are required to compete with larger not for profit or for profit organisations. While economies of scale may be much smaller, small tenders for smaller scale service delivery may often be more relevant to community needs and appropriately targeted to service recipients. While large organisations may be able to compete on outputs it should be recognised that outputs may be based on less relevant structures and processes that may miss the mark in terms of effecting true change or social justice/access and equity priorities.

Comments are invited on the effect of funding government funding on other services offered by not for profit organisations. Are there significant economies of scale and/or scope in service delivery? How important is the capability of some not for profit organisations to deliver an integrated service to the value they generate? P35

Arrangements for government funded service delivery p35

Against this background, comments are invited on the efficiency and effectiveness of arrangements associated with the provision of government funded services. Specifically, the Commission seeks comments on:

- ***opportunities for improving funding and contractual arrangements to promote better outcomes***
- ***the effectiveness of existing accountability and reporting requirements, including options for improvement***
- ***how changes in service delivery requirements have affected the effectiveness of not for profit organisations and what changes to those requirements might be warranted to enhance their effectiveness***
- ***the effectiveness of arrangements for trialling or piloting new approaches to***

- service delivery*
- the effectiveness of program and service delivery evaluation arrangements*
- the extent to which governance and reporting requirements associated with funding and contracted arrangements have replaced 'black letter' regulation.*

Where possible, participants should support their views with evidence. Comments on the extent to which arrangements are necessary to enhance transparency and accountability would also be appreciated. p40

5 Trends and developments p40

What are the most significant trends and developments that have impacted on the efficiency and effectiveness of the not for profit sector? How has the sector responded to these? Are there emerging trends and developments which are likely to impact on the future capacity of the sector? P41

- A move to 'mainstream' gender and consequently the perceived lessening of the need to provide women specific services is a big concern.
- The rise in numbers and visibility of Men's Rights groups (even though many of these are suspect in the accuracy of their analysis of gender) seems to have influenced public opinion about the rights of men vs the rights of women and government on some level appears to have reacted to this.

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