



Federation of Ethnic Communities' Councils of Australia

**The Federation of Ethnic Communities' Councils of Australia
(FECCA) Submission to the Productivity Commission Review on
the Contribution of the Not for Profit Sector**

Contents

1. Background: The Multicultural Not for Profit (NFP) Sector	2
2. Measuring the Contribution of the Not for Profit Sector	4
2.1. Contributions of Volunteers	4
2.2. A Conceptual Framework and Methodologies	5
3. Enhancing the Efficiency and Effectiveness of the Not for Profit Sector	6
3.1. Attracting both Paid and Volunteer Workers with the Appropriate Level of Skills (to the Not for Profit Sector)	6
3.2. Partnerships to Improve Access to Human Resources and Organisational Capabilities	7
3.3. Funding	7
3.4. Capacity to Innovate and Use Resources to Best Effect	8
3.5. Advocacy	8
4. Service Delivery	8
4.1. Funding Arrangements	10
4.2. Specific Service Delivery Issues	11



FECCA Submission to the Productivity Commission Review on the Contribution of the Not for Profit Sector

The Federation of Ethnic Communities' Councils of Australia (FECCA) welcomes the opportunity to submit to the Productivity Commission Review on the Contribution of the Not for Profit (NFP) Sector.

FECCA is the national peak body representing Australians from culturally and linguistically diverse (CALD) backgrounds. We provide advocacy, develop policy and promote issues on behalf of our constituency to government and the broader community. FECCA supports multiculturalism, community harmony, social inclusion and the rejection of all forms of discrimination and racism. FECCA's membership comprises state, territory and regional multicultural and ethnic councils. FECCA has an elected executive committee and a professional national secretariat implementing policies and work programs on behalf of its membership and stakeholders.

In preparing this application FECCA has consulted with its members and constituents on the categories outlined in the issues paper.

1. Background: The Multicultural Not for Profit (NFP) Sector

Australia has high levels of cultural diversity, with the 2006 Census showing that Australians come from more than 200 different ancestries and speak more than 300 different languages at home, including Indigenous languages. Almost one in four Australians were born overseas. With these high levels of cultural diversity it

FECCA SUBMISSION TO THE PRODUCTIVITY COMMISSION NFP SECTOR
REVIEW
MAY 2009

is important that an assessment of the contribution of the NFP sector acknowledges the role of multicultural organisations in meeting the needs and aspirations of Culturally and Linguistically Diverse (CALD) Australians.

Many social and community organisations that specifically provide services and advocacy for Australians from CALD are incorporated (Not for Profit) organisations. These organizations vary in size, clients and functions.

The multicultural NFP sector includes:

- Large professional NFP multicultural organisations such as migrant resource centres, and language services providers delivering settlement and language services to recently arrived migrants;
- Professional NFP ethno-specific organisations, including large organisations providing aged care services to specific groups of migrants;
- Smaller NFP migrant social clubs and associations providing vital community social services to their members;
- Peak body advocacy organisations such as: FECCA (the national multicultural peak body); state, territory and regionally based ethnic community or multicultural councils; multicultural and faith peak body advocacy organisations like the Australian Partnership of Religious Organisations and the National Ethnic Disability Alliance.

As noted in the Productivity Commission's issues paper, the NFP sector is varied and broad, undertaking a wide range of activities. This submission is framed within a multicultural context to provide comment on three of the four broad categories outlined in the Productivity Commission's issues paper:

Those categories are:

- Measuring the contribution of the NFP sector;
- Ways of enhancing the efficiency and effectiveness of the sector; and

- The sector's provision of government-funded services.

2. Measuring the Contribution of the Not for Profit Sector

2.1. Contributions of Volunteers

As noted in the issues paper the ABS provides numerical data on volunteers to estimate the monetary value of the unpaid labour while other studies have examined the social capital produced.

There has been criticism of the methodologies used for such measurement in presenting an accurate reflection of volunteering within the CALD community. A central argument is that CALD groups do not identify themselves as volunteers in such surveys, despite their unpaid work contributions meeting the formal definition of volunteering. Rather this type of activity is seen as an expected obligation to help others and is an integral part of their religion or culture. In addition to the differences in the social concept of volunteering some cultural groups lack a translation for the word/concept of volunteering

Another issue cited with current methodology is data collection whereby aggregating the data by place of birth, rather than an identified language or ethnic group presents difficulty in measuring contributions of second and third generation CALD Australians.

Maintaining the distinction between informal and formal volunteering with only the latter being measured remains problematic in CALD communities where boundaries are often blurred. Research has indicated the need for alternative methods that include the value of informal volunteering within these communities.¹

¹ Kerr, L., Savelsberg, H., Sparrow, S. and Tedmanson, D. (2001). *Experiences and perceptions of volunteering in Indigenous and non-English speaking background communities*. University of SA. Available: www.unisa.edu.au/SPRG

2.2. A Conceptual Framework and Methodologies

Within the CALD community issues often intersect, as do the categories of those being affected, issues such as race, gender and poverty. Measurement of the long term impacts of advocacy around issues, such as trafficking in women, must take into account the nexus between gender, race and poverty.

Quantitative methodologies such as surveys and statistics can be beneficial in evaluating the contribution of the NFP sector, provided data includes minority groups. A research gap for CALD communities and organisations, in particular those that are new and emerging, continues to be an issue expressed by FECCA constituents. The integration of CALD groups into a homogenous sample, such as gender without consideration the intersection of variables such as race or poverty runs the risk of inaccurate and biased interpretation.

Qualitative methodologies take into account context and allow a depth of understanding of this nexus that can compliment quantitative measures. Methods such as case studies and the use of narrative have been effectively utilised in providing a voice for minority groups as well as allowing for a deeper understanding of the interconnectedness of issues being addressed. Much research uses a combination of both methodologies to provide both descriptive and explanatory analysis that we believe is necessary to effectively evaluate ethno-specific organisations who may not share all the characteristics of the general NFP sector.

In order to gauge the full social contribution of the Not for Profit sector evaluation must reach beyond measurement of inputs and outputs, to address outcomes and longer term impacts of the NFP sector on community wellbeing.

To ensure social inclusion of all Australians any conceptual framework for measuring the contribution of the sector must be holistic and work within a broader multicultural framework that recognises Australia as a multicultural society. Included in an assessment framework should be indicators to measure

the cultural competency of service provision. The general principles and policies of access and equity for multicultural communities outlined in the Department of Citizenship's Access and Equity Framework² could be incorporated into an assessment framework as a charter to ensure equal access to services for CALD Australians. Such a charter must be linked to the principles of an updated Commonwealth Government Multicultural Policy (the former Commonwealth Multicultural policy technically expired at the end of 2006 and has not been updated).

3. Enhancing the Efficiency and Effectiveness of the Not for Profit Sector

3.1. Attracting both Paid and Volunteer Workers with the Appropriate Level of Skills (to the Not for Profit Sector).

The issues paper raises the concern over supply of the paid and voluntary workforce, with particular reference to ageing and childcare industries.

Within both sectors CALD workers tend to be underrepresented and underutilised due to a number of recruitment barriers. These include difficulty in recognition of overseas qualifications, lack of English language proficiency and lack of appropriate job training pathways.

FECCA believes that specific strategies must be developed to advertise for, and recruit, bilingual workers and volunteers, with programs being put in place to assist them in attaining the necessary qualifications.

Additionally, Australia's ageing CALD population is experiencing more rapid growth than the general population in terms of its population size. By 2011 it is

² Department of Immigration and Citizenship (2009). Access and equity in government services report 2006-2008. p.70. Commonwealth of Australia.

estimated that 23 percent, or over 1 million Australians, from CALD backgrounds will be over 65.³

Given this trend there is a need to increase the availability of bilingual aged care staff, and to provide appropriate funding and workforce development policies and strategies to facilitate this.

3.2. Partnerships to Improve Access to Human Resources and Organisational Capabilities

New CALD (**NFP**) community organisations need opportunities to build their capacity as strong effective organisations but are faced with a number of barriers such as: lack of knowledge of Australia's regulatory system; linguistic and literacy barriers; and lack of organisational skills and knowledge.

Provision of pathways through partnerships and mentoring with established ethno-specific organisations (such as FECCA's Community Leadership, Advocacy and Skills project⁴), government and business sectors play a much needed and beneficial role in building sustainable capacity of new and emerging CALD organisations.

3.3. Funding

Multicultural and ethno-specific (**NFP**) organisations suffer from a serious lack of funding for the services they provide. Adequate funding for language services within some sectors also remains an issue. For example, there is no targeted funding for language services in residential aged care, or firm policies in place to ensure that language services are provided.

Additionally, mainstream services within the NFP sector must be culturally competent to ensure provision of quality service for CALD Australians.

³ AIHW (2001). Projections of older immigrants. available: <http://www.aihw.gov.au/publications/age/poi/poi.pdf>

⁴ CLASP manual available www.fecca.org.au

Funding needs to be provided for the provision of professional development training that includes cultural competency to ensure staff within the mainstream NFP sector provide appropriate and accessible services for CALD people.

3.4. Capacity to Innovate and Use Resources to Best Effect

Newly arrived migrants and refugees arrive with minimal knowledge of Australia's political and social system. Therefore they may lack an understanding of the issues surrounding the registration and incorporation of (**NFP**) organisations due to low ELP, and an unfamiliarity or inability to access new technology.

It is important that resources are allocated to allow genuine capacity building for new and emerging communities and the refugee community sector that includes mentoring opportunities and leadership training. Without support, groups may have difficulty meeting accountability requirements.

Indeed, increasing opportunities for new and emerging communities to interact with the mainstream can lead to enhancing their social inclusion.

Sharing of information within the NFP sector, and between the sector and government, is also essential to build knowledge and develop good practice. FECCA is currently working in collaboration with CALD youth organisations across Australia to develop a framework for best practice within the sector.

3.5. Advocacy

It is imperative that the NFP sector is able to maintain a voice. Where possible, government should be supporting and resourcing the advocacy work of the NFP sector. Regular high level meetings are important with co-chairing arrangements in place, and actual work-plans and goals around real issues being undertaken.

4. Service Delivery

In many cases CALD communities are underrepresented in the uptake of the services provided by the not-for-profit sector, unless those services are provided by multicultural or ethno-specific organisations (as with the Home and Community Care (HACC) system). This points to the need for a framework that ensures improved access for disadvantaged communities (such as some CALD communities) to government funded and other not-for-profit services.

FECCA would like to see:

- Recognition of the important contribution multicultural and ethno-specific organisations make to the NFP sector;
- Recognition that Australia is a culturally and linguistically diverse nation and that multicultural and ethno-specific organisations play a vital and cost-effective role in meeting the needs and aspirations of this diverse population (as do other client specific organisations such as Indigenous and Disability organisations);
- Recognition that, like the Australian community, many Australian NFP organisations are multicultural or ethno-specific and such organisations should be treated equally to mainstream organisations with regard to government funded service delivery arrangements and these organisations should not be disadvantaged by 'mainstreaming' policies;
- Recognition of the importance of access and equity for CALD communities using NFP funded services and the need for cultural competence across all government funded not-for-profit organizations;
- Recognition of the importance of adequately funded translation and interpreting—or language—services and the need for professional development measures for the interpreter workforce;
- Recognition of the important role of bilingual workers in service delivery and advocacy.

FECCA holds that a more coordinated approach between the government and the NFP sector through a national framework will improve on-the-ground service delivery.

To this end measures need to be undertaken around reporting requirements, streamlining government funding contracts and agreements, ensuring the length of funding agreements is adequate for optimal service delivery, and (importantly for FECCA) ensuring access and equity for CALD communities in not-for-profit service arrangements and delivery.

Measures should also be undertaken to ensure that NFP organisations with government funding have consumer representation on their governing bodies, including CALD and other disadvantaged group representation where relevant.

Additionally, FECCA is concerned about the current model of competitive tendering which undermines sustained partnerships between CALD-specific and mainstream organisations, particularly in rural and regional areas.

FECCA calls for measures to allow ethno-specific and multicultural service providers an equal footing to mainstream service providers where they can demonstrate capacity and scale. This includes in the area of HACC services which are often managed by state governments with significant federal funding.

4.1. Funding Arrangements

Many NFP ethno-specific organisations are reliant on short term funding. The FECCA 2008 Access and Equity report⁵ noted that government funded youth programs with short term annual funding created serious difficulties with program continuity, planning, service provision and staffing for service providers and impacted on young clients adversely, hindering successful outcomes.

⁵ The Federation of Ethnic Communities Councils of Australia (2008). Access and Equity report. P.28.
Available: http://www.fecca.org.au/Submissions/2008/submissions_2008043.pdf

Not only do short term grants put a strain on human resources but the lack of longevity impacts on project viability and the ability to strategise long term. A common issue raised by our constituents is that while a program might be successful in providing a much needed service the lack of ongoing funding (that is dependent on the available HR skills within an organisation to accomplish grant applications) results in an ad hoc approach which impedes the effective delivery of sustainable programs.

FECCA believes that longer term funding of around three years would allow for quality, long-term outcomes.

4.2. Specific Service Delivery Issues

Finally, some CALD communities are particularly disadvantaged in terms of accessing services. As previously noted certain CALD groups experience multiple disadvantages. While women with disability have been identified by the Human Rights and Equal Opportunity Commission as being particularly vulnerable workers,⁶ those from CALD backgrounds experience triple disadvantage.

Therefore FECCA believes that special consideration needs to be given to organisations that work with highly disadvantaged communities where positive outcomes are more difficult to realize. These organisations require flexible, longer term evaluation processes to gain an understanding of any wellbeing community benefits.

⁶ HREOC Submission to the Senate Employment, Workplace Relations and Education Legislation Committee's Inquiry into the Workplace Relations Amendment (Work Choices) Bill 2005. Page 43. http://www.aph.gov.au/senate/committee/eet_ctte/wr_workchoices05/submissions/sub164.pdf