

THE AUSTRALIAN PRODUCTIVITY COMMISSION
THE CONTRIBUTION OF THE NOT-FOR-PROFIT
SECTOR

Response to the Draft Report

Pilbara Association of Non Government
Organisations

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Pilbara Association of Non Government Organisations

The Pilbara Association of Non Government Organisations (PANGO) represents the majority of not-for-profit (NFP) community service organisations in this remote but vitally important region of Australia. Our members provide community services for the Aboriginal and non-Aboriginal residents of the Pilbara that include support to youth, people with disabilities, older Australians and other groups who require housing, in-home care, counselling, drug and alcohol rehabilitation and the range of health and welfare support found across Australia. As will be discussed later, Pilbara NGOs operate out of four regional centres – Karratha, Port Hedland, Newman and Tom Price – but also provide services across large areas of WA.

The Pilbara region of Western Australia is at the heart of the Australian resources boom. This vast area, whose four main population centres are over 1000km from Perth and isolated from each other, has experienced a major influx of residents (many of whom only stay a few years at most) and particularly temporary fly in fly out workers – as large corporations and numerous contracted companies mine and export iron ore, natural gas and other resources. While the economic impact of the boom has been positive, the social impact has often been negative. The long distances, difficult climate, small population centres and limited knowledge of the problems facing Pilbara NGOs by Government and bureaucrats have all combined to make it difficult to provide quality services and support to the Aboriginal and non-Aboriginal population. Unfortunately the lack of a cohesive regional policy and actions by State and Federal governments has meant that prosperity has also bred too much social despair and limited solutions.

Background

PANGO welcomes the Productivity Report and our members believe it provides the most comprehensive information and ideas ever made available in Australia for Government, NFP community service organisations and other stakeholders to substantially increase the quality of the community services provided to Australians.

However, we feel the draft report does not focus enough attention and discussion on the issues and barriers affecting the sustainability and the delivery of quality of service in remote and isolated areas of Australia and this should be further addressed more fully in the Final Report and recommendations. Our comments are based on a recent extensive review of a significant number of NGOs throughout the Pilbara and information obtained in a number of surveys and discussions amongst our members.

Conditions in the Pilbara

The evidence suggests as many as half the NFP organisations in the Pilbara are to some extent or other financially and operationally vulnerable and despite currently maintaining a high standard of services are always in danger of not being able to meet the financial and quality service standards expected of similar services in many other parts of Australia. Even the most effective and efficient NGOs in the Pilbara have problems relating specifically to their location in the Pilbara.

The Pilbara offers a unique mix of problems for those who live there and especially for those concerned with supporting Indigenous, aged, youth and other vulnerable people. While each challenge would by itself create difficulties for community services, the combination presents a unique situation. These challenges include the following.

- Long distances from Perth with the largest towns – Port Hedland, Karratha, Tom Price and Newman having been totally built around mining in the middle of a very beautiful but inhospitable environment.
- The Aboriginal people live either in the towns or in many cases in a large number of small communities scattered across this vast land. While many Aboriginal people in the Pilbara endeavour to have a healthy, productive and high quality of life, there are of course many health, social and employment problems in their communities.
- The non-Aboriginal people in the Pilbara are a generally transient population where people come and go as their contracts finish or they move to other opportunities. While an increasing number are choosing to make their home there and stay for some years, there are, nevertheless, many social issues not experienced in urban and more settled parts of Australia.
- There are large numbers of fly-in/fly-out workers in the four centres who live in large camps or in towns for a few weeks at a time away from their families. The airports are the busiest places in the Pilbara. While the transient and short-term nature of much of the workforce has no doubt financial benefits for the mining companies and contractors, it creates major problems in the development of a

sense of community and in getting people to be involved as volunteers in community activities and supporting each other.

- There are considerable difficulties in getting somewhere to live and associated high housing and rental costs in Pilbara towns. This results in considerable social and financial problems for those on low incomes.
- The high-paying mining companies and contractors compete for limited workers in the Pilbara – especially those with skills and experience. The higher wages are offset in part by higher living costs and limited social infrastructure. The particular problems facing NGOs in the Pilbara are very much compounded by the fact the Western Australian and Commonwealth Governments do not, according to the view of most local service providers, offer adequate compensation for the higher cost of providing services in the Pilbara.
- There are many barriers to effective communication across the Pilbara. These include inadequate internet facilities, limited air connection between the towns in the region and very high-priced airfares.

The effect of the Pilbara conditions on NGOs in the Pilbara

The issues for NGOs that arise from being in the Pilbara include the following.

- Totally inadequate housing for key workers.
- Considerable difficulties in NGOs competing with high-paying mining and other private sector companies for their staff.
- A high turnover of staff because of the nature of the Pilbara workforce. The average work-period life of a CEO or Manager in the Pilbara is about 18 months with some exceptions. There is a strong correlation between the length of time a CEO/Manager spends in the Pilbara and the sustainability of an NGO.
- Inadequate government funding to allow NGOs to bridge the gap between the well-above-urban costs of delivering services – as much as 30 per cent.
- Inconsistent funding with uncertainty of continuity or even CPI increases to existing grants despite the need to offer longer term contracts and additional compensation to keep staff.
- In common with the rest of Australia, the demands of the Government Funding Departments are rightly increasing for more quality assurance, documentation and general accountability but the funding growth to meet the costs of these is insufficient.

- The size of most NGOs in the Pilbara is of necessity small to medium and makes them vulnerable to financial and operational problems unless there is adequate government and NGO sector support.
- The problem of developing the workforce with limited funds and distances is particularly serious in the Pilbara.

In summary, NGOs in the Pilbara have to cope with high costs, limited housing for workers, a transient workforce, limited buildings and, of course, large distances, the difficulty in getting continuity in the membership of their Boards of Management and staff – and of course the very hot weather and cyclone seasons.

Recommendations

1. The Productivity Commission place a greater emphasis in the Final Report on mechanisms for supporting the delivery of community services of regional and especially remote NGOs in Australia – in particular the Pilbara.
2. The Final Commission Report should identify the need for increased research and support for NFP community organisations delivering services in the Pilbara, especially those endeavouring to provide support to Aboriginal Communities.
3. It is suggested there could well be a need for a Government Regional and Remote Communities Institute or organisation to specifically focus on relevant government and non-government policies, resources and business partnerships to meet the specific needs of the communities in these often neglected parts of Australia.
4. The Productivity Commission consider more thoroughly the need for strengthening local NFP organisations in the Pilbara to allow them to provide flexible, specific and Pilbara-community-focused support.
5. The Commission consider the benefits of small NFP organisations and the contribution they make to their communities as being particularly important and worthy of Government support.

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