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ADDRESS TO THE NATIONAL CIVIL SOCIETY DIALOGUE

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I honour the Ngunnawal people, their wisdom and culture, and pay my respects to their elders past and present. Their presence and contribution to the National Dialogue comes after the stunning Welcome to Country that marked the beginning of the 42nd Parliament, and paved the way for the Prime Minister's apology on behalf of the nation to the Stolen Generations – an apology that was embraced by so many Australians as a new beginning for an Australia aspiring to a stronger civil society.

This morning, as the 2008 National Civil Society Dialogue commences, I honour you all too, for your commitment to ensuring that such a dialogue can take place at all.

What is the nation that we want Australia to be?

The notion that Australia might need to have such a conversation is one that many people would be sceptical about. In relative terms – we are a very civilised country – we have one of the highest standards of living in the world. We are deemed to be the most desirable country by international travellers to visit, and we are a keenly sought destination for those seeking a new home – as refugees, migrants, entrepreneurs,

investors, artists, academics and scientists – or to return home – as weary world travellers or those seeking refuge from the impacts of global economic conditions or the uncertainty of political upheaval. We are, and remain, for all intents and purposes, the lucky country.

Australia is of course one of the oldest continuous democracies in the world. Based on values of religious tolerance, freedom of speech and association and the rule of law, Australia's institutions and practices reflect both British and North American models, but at the same time, are uniquely Australian. As a nation we have pioneered reforms that underpin the electoral practices of modern democracies – two simple examples are the way in which our parliamentary committees systems operate and the fact that we have a system of compulsory voting – as a responsibility as well as a right, in local, state and federal elections.

Politically of course, much has changed since the 2007 National Dialogue – I remember vividly, that discussion breaking up, so that delegates could mount a silent vigil in support of Indigenous protests against the Howard Government's Northern Territory indigenous intervention.

Since that time there have been some seismic shifts in the political landscape – beginning with the election of the Rudd government in November 2007 – elected with a mandate for change, for action, for a national vision, for a nation building agenda.

Your theme *Investment now for the Future – reconciling the economy and social equity* – captures so much of the Government's future agenda. We now have a

government committed to action on climate change, to investing in education and training, to restoring true fairness to our workplaces and to closing the gap for indigenous Australians. We have this exciting new Social Inclusion agenda, about which I want to speak much more, and we have a level of civic engagement in the issues confronting us as a nation that has not been seen for a very long time. As Hugh Mackay describes it: 'an awakening'.

But let me get back to my original point about Australia as a lucky country.

When we see what's happening in other countries – failed states, corrupted regimes, drought, starvation, and desolation, there is a very real sense for many in Australia, that actually things aren't too bad.

When we measure the character of our own democracy against that of other countries – the aggregation of national indices, employment figures, debt ratios and so on – we lose much of what is hidden in the detail. It's only when we disaggregate and measure those factors against our own national performance over time that we begin to understand the underlying currents of the social and economic transformation that is taking place here in Australia.

The insidious increase in mortgage interest rates that are crippling many families; the extent to which Australia has gone backwards in terms of adult literacy and numeracy; and diminished investment in research and development; the way in which we continue as a nation to rank 16th of OECD countries on the support and employment of Australians living with a disability; our growing numbers of homeless, our levels of

incarceration, our record personal debt levels, the increasing number of Australians living with mental illness, and the effort required to rebuild our international reputation in areas of human rights – all point to the need for an engaging national conversation about strengthening our civil society for the future.

This year's agenda

I note your agenda this year is focused on innovation and collaboration – in the climate change debate, in public policy imperatives around social inclusion and in the important domain of intersecting social and economic policy ideas. I think this focus on the future and on shaping some of the emerging policy frameworks is very helpful, and very important.

For me, it is clear that public problem solving is now deeply collaborative, that it involves far more than government, or business and we must all have a clear understanding of what partnership approaches can and should entail. Certainly genuine collaboration entails critical management and design challenges and is difficult to operate, particularly in our federal system. If we are to be genuinely and systemically committed to a 'joined up' approach then we need to consider how new governance arrangements can help us deliver on our shared and ambitious agenda.

Professor Lester Salamon from the John Hopkins University speaks often about new governance as the way forward for public administration in a post new public management world. He describes it as shifting the focus of attention in the policy field in five different ways:

The first is a focus on the tools of government through which public purposes are pursued – where the tool or instrument is an identifiable method through which collective action is structured to address a public program. He argues that each tool has its own set of operating procedures, its own characteristic task and its own rules of engagement. And the choice of tool will define the set of actors who will be part of the cast, not just in developing policy approaches, but during the all important implementation process. Since these actors have their own perspectives, skills, incentives and of course motives, by determining the actors the choice of tool importantly influences the outcome of the process. And these tools are profoundly political, giving some actors and therefore some perspectives and values an advantage in determining how policies will be carried out.

When we consider this approach, how critical are the decisions being made around the climate change debate! Where decades of poor politics and failed policy have given certain actors resources, influence and decision-making that has been unsustainable even in the short term.

The second shift is from hierarchy to organizational networks – with their characteristic interdependencies between public agencies and a host of third party actors. In this way, government gains important allies but loses the ability to exert complete control over the operation of its own programs. So, tools significantly structure networks; they define the actors that are centrally involved as well as the formal roles they will play.

Thirdly, the shift from public versus private to public *plus* private, which brings a new perspective to the relationship between government and other sectors. Collaboration replaces competition as the defining feature of sectoral relationships.

And the shift from command and control to negotiation and persuasion delivers cooperative action orchestrated through complex networks, and with it a new approach to public management – one that creates incentives for desired outcomes, where collaboration and negotiation are legitimate components of public administration rather than regrettable departures from expected practices.

And finally, from management skills to enabling skills – the skills required to engage partners arrayed horizontally in networks, to bring multiple stakeholders together for a common end, in a situation of interdependence. This requires three different skills – activation skills to conceptualise and create the opportunity for new policy approaches; orchestration skills – the ability to create, operate and sustain networks, and modulation skills - the ability to adjust rewards and penalties to help elicit cooperative behaviour from independent players - it's sometimes called *enoughmanship*.

We are seeing these shifts in the Australian public administration landscape in several important ways that fit very neatly with your 2008 Dialogue agenda.

The Social Inclusion agenda

The Rudd government's agenda across the board captures much of this movement to a 'new governance' approach. I would like to focus on the work in my own portfolio

space to highlight these changes and the opportunities that are being created for a national civil society dialogue.

The Social Inclusion agenda is aiming for a joined up approach to addressing disadvantage and reducing social exclusion so that all Australians have opportunities to participate in all aspects of Australian life. The agenda recognises the critical role the non-profit sector plays in delivering services, advising and developing social policy, and advocating on behalf of marginalised groups.

A strong relationship between the government and the sector will be crucial to the success of the agenda and related reforms.

To be socially included, we believe that all Australians must be given the opportunity to:

- secure a job;
- access services;
- connect with family, friends, work, personal interests and local community;
- deal with personal crisis; and
- have their voices heard.

Our Social Inclusion agenda aims to launch a new era of governance to mainstream the task of building social inclusion so that all Australians can share in our nation's prosperity. That's why we keep reinforcing that this is ambitious and that we are focused on solving some very complex, intractable and difficult problems.

Our democracy was weakened by the former Government's introduction of measures to silence the sector, and remove them from public debate.

NGOs are innovative engine rooms of ideas – and their contributions ensure that we develop real solutions. The use of government funding as a silencing mechanism included explicit funding cuts for groups critical of the government, purchaser-provider contracts in which recipients deliver the Government's agenda rather than serving

their members' interests, and, importantly, those so called 'confidentiality clauses' which stopped organisations from speaking to the media.

So we have wasted no time in removing the anti-advocacy clauses from contracts with service providers.

We are not in the business of "taming and training" organisations – instead we recognise the importance and benefits that come from listening, engaging and developing partnerships that are based on trust and respect.

We also want to form a better understanding of the non-profit sector and its contribution to the national economy and our communities. That is why we have asked the Productivity Commission to construct a new tool to measure the contribution of the non-profit sector to communities and the economy, including the value of volunteers. The Commission has started developing the terms of reference for this new tool.

In choosing our critical actors, we have appointed an eminent group of Australians to the Australian Social Inclusion Board. This group is consulting widely and providing crucial advice back to Government about where our priorities lie.

The Board reports directly to the Prime Minister and the Deputy Prime Minister on its high level, strategic engagement with those both within and outside government. It is an important tool of this government. I congratulate Linda White, who is here today, for her contribution to the work of that Board.

The national civil society conversation is championed so much by the creative and voluntary work that is a feature of Australian culture. As a government we believe that volunteers also have a critical role to play in building and maintaining civil society, and we have created a portfolio responsibility for it.

I am currently working on a national strategy to help volunteering to flourish in Australia. This work is being undertaken in the lead-up to a very important year for volunteering, 2011, which marks the tenth anniversary of the United Nations'

International Year of Volunteers. This highlighted the achievements of volunteers world-wide.

We believe that volunteers are and must continue to be a crucial renewable resource, building sustainable and connected communities around the world. Where disadvantage divides communities, volunteering does so much to unite them, creating connections and pathways for anyone to participate in their neighbourhoods and organisations.

The UN has asked governments of the world to come up with new and innovative ways to celebrate this ten-year occasion – and I am speaking with volunteers around Australia about how we can better celebrate and support volunteering.

Red Tape reduction

As part of our new governance approach with our State and Territory colleagues, we're canvassing options to reduce the regulatory burden on NGOs. Many have spoken of being buried in red tape – using valuable resources on meeting the compliance and regulatory requirements of government funding. We believe the regulation of the sector should be clear and consistent and a better regulatory environment is one that will benefit us all. Lindsay Tanner's speech last week highlighted his role as Minister for Deregulation and the way in which we are using the COAG processes to drive this further.

The proposal for a National Compact

Another piece of very important work is consultation about the development of a National Compact with the non-profit sector. We believe that an Australian Compact could be an important new tool of government to advance our Social Inclusion agenda.

Compacts have worked well overseas to provide a mechanism for discussion and agreement between the Government and non-profit sector on important issues.

ACOSS is running initial consultations with the non-profit sector to discuss how a National Compact would be useful in the Australian context. These have provided wonderful opportunities for me to meet with service providers and others interested in civil society.

We are drawing on the expertise of a Reference Group, which will advise on the outcomes of the early consultation process for the Compact and what should be our key priorities for action. The Group is highly experienced, and in very capable hands, being co-chaired by David Crosbie, CEO, Mental Health Council of Australia and Evan Lewis, from FaHCSIA.

Lord Andrew Mawson last week spoke about the important role that social entrepreneurs play in new governance arrangements – they are the boundary riders who bridge the public/community divide, building communities and tackling some of the most intransigent problems of social disadvantage.

Your National Civil Society dialogue fits into these spaces. I wish you great success over the next few days, full of stimulating discussion, networking, forging new relationships and seizing new opportunities. Yours is a debate that will range from the abstract to the specific – with enduring consequences.

Congratulations to you all.