

20 March 2008

AN OPEN LETTER TO COUNCIL OF AUSTRALIAN GOVERNMENTS (COAG) PARTICIPANTS

Dear First Ministers, Treasurers, and Chairs and Co-Chairs of new COAG Working Groups,

Catholic Social Services Australia is pleased to maintain the dialogue with COAG participants begun with our *Open Letter to COAG Participants* of 19 December 2007 ([Annex A](#)).

Our 64 member organisations provide diverse services to over a million Australians each year in remote, regional and metropolitan Australia and our services and our clients are directly touched by much of the COAG agenda.

We welcome the agreements reached at the COAG meeting of 20 December 2007 – especially the commitment to promoting social inclusion, to a spirit of co-operative federalism, and to an emphasis on outcomes.

In the lead-up to the COAG meeting scheduled for 28 March 2008, I would like to bring your attention to a number of suggestions and recommendations, namely:

- Recommendations made in our *2008-09 Pre-Budget Submission to the Commonwealth Government* on a range of issues relevant to COAG,
- The imperative to prioritise social inclusion in the work of COAG,
- The need for COAG bodies to undertake community consultation,
- The risk to services from reforms to Commonwealth-State funding arrangements, and
- Specific comments concerning COAG's seven new Working Groups.

1. Recommendations relevant to COAG in our 2008-09 Pre-Budget Submission

I attach for your information a copy of our 2008-09 Pre-Budget Submission to the Commonwealth Government ([Annex F](#)). Also attached, for ease of reference, is a table indexing recommendations from that submission of special relevance to COAG ([Annex B](#)). As you will see, there are many recommendations that relate to the work of COAG and it is our hope that the submission provides opportunities to respond to these issues of concern.

2. Promoting social inclusion: A key objective for all COAG Working Groups

As stressed in the Commonwealth Government's pre-election social inclusion policy:

social inclusion cannot be an addendum to mainstream policies and programs – *all government programs and initiatives must deliver on the social inclusion agenda.*¹

Social inclusion considerations must be integrated into decision-making across policy areas – not only in such obvious fields as welfare payments or education policy, but also in areas ranging from health to infrastructure to climate change. If integration is not prioritised, COAG-sourced reforms risk promoting social exclusion rather than social inclusion.

We welcome the recent statement by Senator Ursula Stephens, the Commonwealth Parliamentary Secretary for Social Inclusion and the Voluntary Sector, that:

We want our social inclusion policies to:

- create opportunities for individuals to participate not only in the economic life, but also the social and civic life of the nation.
- recognise the complex barriers that prevent their participation and the impact this has on their well-being and ability to contribute to their community; and
- Acknowledge the need for prevention, treatment and empowerment strategies as part of a continuum of care, and a pathway to inclusion.

These policies will only be delivered by embracing 'joined up' solutions, to address the complexity of needs.

This is not easy – but we must not be daunted by the challenge. It requires a serious, interventionist effort to find whole-of-government solutions²

This approach acknowledges the complexity and multi-faceted nature of a commitment to social inclusion. It highlights the impossibility of limiting social inclusion to a narrow slice of government activity labelled "social policy", and underlines the need for "joined-up solutions".

Consistent with this approach to social inclusion, Catholic Social Services Australia and Jesuit Social Services commissioned the policy document *Leading Nationally, Responding Locally*³ to inform discussion regarding social inclusion by addressing the implications of earlier empirical work on locational disadvantage.⁴ *Leading Nationally, Responding Locally* makes recommendations about how governments might embed social inclusion into the business of

¹ Julia Gillard MP and Senator Penny Wong, *An Australian Social Inclusion agenda*, ALP Election Document released 22 November 2007, at p.5 (emphasis added).

² Senator Ursula Stephens, *Speech to the Fundraising Institute of Australia Inaugural Asia Pacific Forum*, Perth, 22 February 2008.

³ *Leading Nationally – Responding Locally: Building social inclusion in localities on the edge – A policy paper to guide response to "Dropping off the edge"*, Catholic Social Services Australia and Jesuit Social Services, March 2008.

⁴ Tony Vinson, *Dropping off the edge: The distribution of disadvantage in Australia*, Jesuit Social Services and Catholic Social Services Australia, 2007.

government. A copy of the paper, along with a summary, is attached for your consideration (Annexes C and D respectively). I would be very interested in your response to this paper.

COAG participants are uniquely placed to integrate social inclusion policy considerations and structures into policy-making across a broad range of policy areas of national significance. Such activity would have a multiplier effect not only in Commonwealth, State and Territory government agencies but in industry, local government and the non-government sector.

Given the importance of the new Commonwealth Government's commitment to integrated social inclusion policy and structures, indicated above, we are concerned by the absence of specific references to social inclusion in the December 2007 documentation regarding the new COAG Working Groups dealing with climate change and water; infrastructure; and business regulation and competition. I have detailed the specific concerns in relation to the work of specific Working Groups at Annex E.

I reiterate the recommendation made in our *2008-09 Pre-Budget Submission to the Commonwealth Government* that:

The promotion of social inclusion" should be included as an explicit objective of all COAG Working Groups, with more specific social inclusion objectives developed as appropriate, and with steps towards this goal factored into each Working Group's "indicative forward work program.⁵

3. Community consultation

The complexity of issues being addressed by COAG Working Groups points to the need for broad community consultation – before long-term decisions are set on irrevocable tracks.

We have previously welcomed Prime Minister Rudd's foreshadowing of extensive community discussions during 2008 on issues being addressed by COAG.⁶ We trust that next week's COAG deliberations will factor in sufficient time and resources for such consultation to occur in a meaningful fashion. As our members have both extensive experience across a range of social policy issues and a significant national footprint, I would be pleased to offer any assistance we can in that consultation process.

4. Commonwealth-State financial relations

We note movement towards reform of Commonwealth-State funding arrangements, especially in relation to Specific Purpose Payments.⁷ While these reforms have great potential to streamline services, avoid wasteful expenditure, and cut red-tape and administration for our members, any substantial reform entails significant risk to services. Continuity of services is important to the agencies delivering services, but more importantly to the citizens relying on those services. We recommend that special efforts be made to assess risk and prevent any adverse consequences for the provision of social services by community sector organisations.

⁵ Catholic Social Services Australia, *Submission to Commonwealth Government: 2008-09 Pre-Budget Submission*, January 2008 (Annex F to this Open Letter), p.12 at Recommendation 25; and see also pp. 12-13 at paragraphs 69-74.

⁶ Catholic Social Services Australia, *Open Letter to COAG Participants*, 19 December 2007 (Annex A to this Open Letter of 20 March 2008), at p.5.

⁷ Treasurer Wayne Swan, *Treasurers Advance the Commonwealth-State Reform Agenda*, Press Release of 14 March 2008, on the 14 March 2008 meeting of the Ministerial Council for Commonwealth-State Financial Relations.

5. Specific comments on each new COAG Working Group

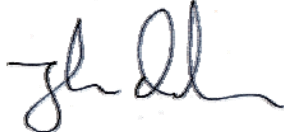
As indicated above, there now exists a tremendous opportunity for COAG and its Working Groups to create a framework for social inclusion that is comprehensive and lasting. To assist this process we have highlighted a number of areas where Working Groups could usefully consider action. I would be pleased to explore any of these issues further.

Annex E contains brief, specific comments regarding the seven new COAG Working Groups:

- (a) Business regulation and competition
- (b) Climate change and water
- (c) Health
- (d) Housing
- (e) Indigenous reform
- (f) Infrastructure
- (g) Productivity Agenda

Thank you in advance for your consideration of our ideas. We look forward to future progress on COAG's busy agenda and to continuing our related dialogue with you. As noted above, I would be pleased to offer whatever assistance we can to these important processes.

Yours sincerely,



Frank Quinlan
Executive Director

cc. Mr Ron Perry
Special Adviser, Commonwealth-State Relations Secretariat
Department of the Prime Minister and Cabinet

List of Annexes:

- A [Catholic Social Services Australia, Open Letter to COAG Participants, 19 December 2007](#)
- B [Catholic Social Services Australia, Index of recommendations of special relevance for COAG from our Pre-Budget Submission to Commonwealth Government 2008-09](#)
- C [Leading Nationally – Responding Locally: Building social inclusion in localities on the edge – A policy paper to guide response to “Dropping off the edge”, Catholic Social Services Australia and Jesuit Social Services, March 2008](#)
- D [Summary of the Leading Nationally, Responding Locally paper: “A Snapshot”](#)
- E [Catholic Social Services Australia, Specific comments concerning COAG's seven new Working Groups, March 2008](#)
- F [Catholic Social Services Australia, Pre-Budget Submission to Commonwealth Government 2008-09, January 2008 \(spiral-bound volume\)](#)