

The ideal time for a big society

The not-for-profit sector will be liberated to boost services

FOR two decades, both sides of federal politics have embraced concepts such as “mutual obligation” and “the enabling state” to encourage welfare recipients to wean themselves off government support. The policy goal was always correct, but results have been mixed. Just 8.4 per cent of Australia’s 822,391 disability support pensioners, for example, receive any income from working. That figure represents a fall in their workforce participation over the past 12 months. It is a step in the wrong direction at a time when one in 15 Australians in the workforce receive the DSP, at an unsustainable cost of \$15 billion a year.

Our ageing population and the structural budget deficit make welfare reform essential. Social Services Minister Kevin Andrews is right in taking a practical approach to allow community organisations greater scope to boost frontline services. As Patricia Karvelas reports today, less onerous reporting requirements and cutting red tape should free up funding for the not-for-profit sector to tackle poverty and disadvantage. The goal, as Tony Abbott explained in his pre-election Stronger Communities plan when he borrowed a phrase from Liberal founder Robert Menzies’

Forgotten People speech, is to encourage more “lifters, not leaners”.

In Britain, David Cameron’s Conservative government is following a similar policy it has termed the “big society”. Its tenet is governments should step back to allow charities more scope because not-for-profit organisations are often better placed than bureaucracies to identify and respond to the needs of the poor, the disadvantaged, the sick and the frail aged. Experience suggests the same holds true in Australia. The non-profit Australian Indigenous Education Foundation has assisted hundreds of indigenous students to attend school and university and Andrew Forrest’s Australian Employment Covenant has boosted indigenous employment. Mr Andrews is also right in aiming to develop a culture of philanthropy.

Australia’s “one size fits all” welfare system and the largesse provided by taxpayers, often inefficiently, through a plethora of federal and state agencies, is no longer tenable. As the Abbott government is recognising, the private and not-for-profit sectors have a greater role to play in helping the disadvantaged help themselves. In some areas, governments need to be doing less, not more.