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The Ways Community Can Engage with Government to Develop Policy and Programs that Work

Address to the Communities in Control Conference
Melbourne, 4 June, 2007

The Hon. Senator Kay Patterson

Liberal Senator for Victoria

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**2007 Communities in Control Conference
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I have just come from an ANZ Bank lunch to launch the Mary Jane Lewis Foundation. David Lewis was a Welsh migrant who came to Australia in the late 1800s as a 20 year-old. Having finished school at 12, he made a lot of money and put a huge amount of money into a trust to give boys an opportunity to go to university. The members of that trust have felt for a long time that girls also should have an opportunity to go to university and so they've started the Mary Jane Lewis Foundation, which I thought was a very good example of some of the things I'm going to speak about.

The ANZ Bank has given this new foundation free financial advice for a period of time, as well as management of the trust fund, and along with that a number of businesses have been working towards this foundation. They hope to raise \$250,000 a year to get the foundation together to provide an opportunity for young women to go to university. There's some money there already and today we heard from one of the young people, a young girl from Wangaratta from a separated family with a very sick sister whose mother was struggling even to keep her at school. She was just outstanding, and it was just wonderful to see how she'd blossomed.

And not only do they give financial assistance; the ANZ Bank is also providing these young people from both Lewis foundations with training in financial planning, and networking as well, so it's a wonderful scholarship, and it really fitted well with coming here today.

I'm pleased to have the opportunity to speak here on behalf of Mal Brough, who sends his deep apologies that he can't be here. I know how much you'd prefer to hear from him than me, but I'm here and as you have already been told, I do have a deep interest in community organisations.

I congratulate Rhonda for all that she's done in promoting communities, particularly here in Victoria. I know it's been a long, hard road that you've had to hoe but you know, I've been involved with grassroots community organisations and you try to teach people about how committees work and how you do meetings and how you look after funds and all those things, and when you look at your website, it's

all there. You've got all those booklets and ways of linking people. It's a great contribution you've made, so thank you very much on behalf of those of us who are in the process of trying to make communities and government and businesses all work together.

We've also been pleased to have been a sponsor of this conference; it's one of the biggest ones I think I've ever been to as Health Minister, or as Minister for Family and Community Services, or when I was trying to serve two masters as Parliamentary Secretary to the Minister for Immigration and to the Minister for Foreign Affairs (that was a pretty interesting and challenging experience) – you don't get gatherings like this, so it's a great credit to the organisers, and I know it's the staff as well who are behind Rhonda who put this all together, so congratulations to them.

The reason that I feel strongly that we ought to be here with you, and also why we sponsor this conference, is because we understand the role community organisations play in the community. There are things governments can't do. There are ways in which governments can help organisations, but there are all sorts of things – as you know from all your communities – that could never be done by government. People in voluntary organisations put in hours and hours of work that could never be counted in economic terms, but can be counted in terms of what it does in building stronger communities. And your theme of Communities in Control – 'From Advocacy to Policy: Communities Driving Change' – is a very important one.

I want to talk about three things today, and the first is the important role that community consultation can play in driving better government policy; the second one is the importance of local communities finding local solutions to local problems; and the third one is the importance of partnerships and corporate community involvement.

I'll start with partnerships because it's where I feel most comfortable to begin with. Over the last decade there has been an exponential increase in the focus by business at all levels on corporate social responsibility. One senior banking businessman said to me when I was Minister that he had people come in for interviews – and in times of

lower unemployment you've got to really bid for those people that you want, the top-notch graduates from university or people who have been working out in the business community – and at the end of the interview process where you would ask them, "Is there anything you would like to ask me?" they would usually say, "What about superannuation?" or something like that. But this person being interviewed said to this businessman, "What's your triple bottom line, what do you do as a business in the community? Because I've got a choice of three places to work and I'm going to work for a business that does something to build our community." The businessman said to me he couldn't have answered that question 20 years ago, but, he said, businesses have to be able to answer it now.

There's a real emphasis on corporate social responsibility now because people say, "I don't want to work 80 hours a week for a business that's only interested in their profit line, I'm really interested in what they're doing in the community." And I think shareholders are going to have to understand that as well; that yes, it's OK to spend money on business-community partnerships because what it does is it increases the productivity of their staff and the longevity of their staff, so it's a win-win situation.

But it has also created a dynamic in the not-for-profit sector that has not previously been seen at that level. There's been a shift from arm's length funding, where business just feels good about giving a donation, to actually involving the business in that community-business partnership, and in fact often involving staff in that community-business partnership.

As I said, the government can't solve problems alone, and in recognition of this fact, in 1999 the Prime Minister set up the Community Business Partnership process, which operates on the premise that communities are stronger and more cohesive when individuals and not-for-profit organisations and governments and councils and business all work together, each offering its own unique set of skills and experiences to work towards a true social coalition.

The Prime Minister's partnership uses innovation to help build a new approach to tackling disadvantage by encouraging volunteers and professionals who have insight into the impact of social problems to work with businesses to develop solutions.

I want to give you two examples of how this works. The Community Business Partnership Committee, which comprises CEOs of leading community organisations and leaders in business, meets with the Prime Minister and the Minister for Family and Community Services, who is the deputy chairman of that committee, and discusses issues. In line with your theme, 'From Advocacy to Policy,' here are these peak bodies and leaders of business together advocating to the government.

What were some of the things they did? I want to give you an example that involves issues about taxation and the ability to assist people by making it easier to make a contribution to community organisations. The Committee was tasked with various jobs, to come up with ways we could increase philanthropy and giving, and they came up with the idea of prescribed private giving – that individuals would be able to set up private foundations using pre-tax dollars, and that's been very popular. People who have been in a position to donate have set up significant foundations because there has been a tax advantage in doing so. So that's for one level of philanthropists, for people at the higher end who can afford to give a significant amount to a trust.

Another measure they come up with was workplace giving. They saw that people would like to give but, you know, you give something here and you give something there and you get a receipt for \$2 or \$3 and you forget to put it in at the end of the year with your tax return. They suggested, as they consulted with the community, that workplace giving would be an advantage, that workplaces could choose an organisation, or four or five organisations, and suggest to their staff that they might like to give and those donations would be taken out of their pay and the tax rebate would be given immediately. And do you know what we've seen as a result of that? \$2.4 million per annum is going to organisations that wouldn't have otherwise, just from people giving those small amounts in the workplace.

So you've got the philanthropists at one end with their large amounts of money, and the philanthropists at the other end who have a smaller yet significant proportion of their income that they're giving. And so both ends of the scale are able to benefit.

Then there's the minor benefits scheme, which also came out of that consultation. This allows organisations to have functions that are lower in value but people are still able to claim taxation returns when they attend those functions.

Another thing they came up with was the Foundation for Rural and Regional Renewal, and I'll just give you an example of how that works. One of my young friends died in rural Victoria. He was very popular, well-known entity in the community and people raised a large amount of money in his memory, but there wasn't a way in which that money could be put into a foundation that had tax deductibility and would be looked after for a period of time. They chose to put it with the university he had attended, but that limited the number of people from that area who could apply for a scholarship – it would have been much better if it could have been located back in that community. Now, through these foundations, when a community raises money in memory of a person, or someone leaves a donation for a music scholarship, for example, there can be a foundation in that community that is ongoing.

How did all these things happen? They happened because of a business-community partnership. They happened because of advocacy, at a different level than some of the things you'll talk about today, but advocacy at a very senior level, where the community organisations like the Smith Family, like Mission Australia, came together with these senior business people, with their business skills, with their knowledge and understanding of the taxation system, to achieve that outcome.

That's just one example of advocacy that I think has been very important and it's something I've been very proud our government has been able to do.

One of the other things I want to talk about is community-business partnerships at a community level. I could wax lyrical about many of them that I've seen but one of them was a financial institutions management program which was set up with the Westpac Bank and Noel Pearson. Noel Pearson had been lobbying government about the need for practical solutions to enable Indigenous people to be supported to develop their skills, to better manage their money and to provide better living standards for their family. The Australian Government's interest was sparked by this concept of a family income management scheme and Noel Pearson's analysis of the disastrous effects of passive welfare dependency on the people in the Cape York Peninsula. He asserted that it was a distortion of the Indigenous norm of reciprocity – that was in the paper he wrote in 1999. He said it contributed to the prevalence of chronic social problems, such as substance abuse, ill health and violence.

This analysis led to the recognition that to reclaim their responsibility to family, people first needed to understand and control their money. There were several parliamentary inquiries and reports and research which confirmed the strong need for financial literacy, budgeting skills, consumer information and money management tools in Indigenous communities. Sometimes we need that advocacy research to back up that this is going to be the way to go. So, again, those of you who are working in community organisations, sometimes it can be useful to look at what a Masters student or a PhD student might be able to do in gathering information for you. Sometimes students used to come to me when I was teaching and say, "I'm looking for a project." You must have lots of projects out there, and having a link with people in the social sciences, people in psychology, people in sociology, we could offer through our organisation access to research opportunities, we can help them think through a problem. You then get the means to do the research. So that's another avenue in which you can deliver advocacy, by backing up what you're asking for with facts, because more and more people want evidence-based programs. They want to know if we're going to put money in there, that it works and there's an outcome.

So it was identified as an issue and the Westpac Banking Group got involved in the FIM program, as it's called, in 2002. It commenced in Mosman Gorge and Arakoon and Carrum.

When I was Minister, Westpac was chasing me because one of the company's very keen staff members went up there and got so involved he left the bank and went to work in the community, which I think was a great outcome for the community, but not a great thing for the Westpac Bank. Anyway, he got so involved he made a commitment to work in that area.

The FIM program was based on the education of individuals and families to encourage an understanding about sharing resources and taking financial responsibility, maybe a different approach than we'd take if we were working with people in Melbourne or in a rural area of Victoria, but taking into context their culture and their background in terms of family, from which we might be able to learn.

The FIM program is a working example of the success achieved through partnerships, and I know that Rhonda could tell you about many that she's seen as she's moved around the country encouraging business-community partnerships, sometimes only in a very small way in Bendigo or Ballarat or Euroa, but how they have such a magnifying effect. It's sort of like when you put together business acumen and communities, communities learn about some of the business concepts and businesses learn about the importance of having a socially cohesive community, so their property doesn't get damaged, so that they don't have people painting on their buildings. It's a mutual benefit. For them to understand that, that's important. And that's what Rhonda's done as she's moved around the community, so that's been an important part of advocacy.

In addition, a very important aspect of this Community Business Partnership is local communities finding local solutions to local problems. We've seen a significant development of partnerships between government and non-government organisations and sometimes including a business-community partnership as well, and the government engaging with non-government organisations to utilise

community expertise and ensuring local ownership and a bottom up response.

The Stronger Families and Communities strategy, which has now increased to about \$500 million, is just one such program. There are four strands to the strategy: Communities for Children, Local Answers, Investment to Grow and Choice and Flexibility in Childcare.

The larger one of those is Communities for Children. I want to talk about Local Answers, but I'll give you one example in Communities for Children. In one area here in rural Victoria there's a Communities for Children program, which I went out to visit. This program has an emphasis on early childhood and building stronger communities through stronger families and assisting with parenting and encouraging parents and families to use the resources in the community. But the people working with young children had never met. I found that stunning, but I guess it's pretty typical – people working in childcare had not met the people in the library and the people in the library hadn't met the maternal and child welfare people, and the maternal and child welfare people hadn't met the childcare people. It was just amazing.

Through this project, they brought them all together to work together in this community partnership. And one of the very simple things this demonstrated, and I used to go around to other community groups and say this, is it doesn't always take money. One of the things they decided to do was, when the children were at childcare they'd have three or four at the local library with the child librarian and the parents would pick them up from the library – give them a library card, introduce them, bring them to the library. Now, because we work in communities, we know how to use the facilities, but you all know that feeling when you go into the swimming pool for the first time and you're trying to think of where exactly the change rooms are, and you feel strange because you haven't been there before. Well, they go into the library and they feel strange. But if they've gone to pick up their child and they've felt welcome and they've seen the books that are available, how much more likely are they to use them?

So it was a simple solution – it cost nothing – to a quite serious problem of children not having books in their homes and their parents not knowing the library was there, and how welcoming the child librarian was.

The Local Answers program is the initiative where people can apply for between \$3000 and \$300,000 to address a particular issue. It supports small-scale, time-limited initiatives. (It might be that you need ongoing funding and that's where it might be appropriate to build in a community-business partnership.) This program is about strengthening communities to give children a better start in life, building community capacity, working together in partnerships, encouraging preventative and an early intervention approach to strengthening community, using evidence to demonstrate success, and being results focused.

There have been 480 projects worth about \$70 million across Australia, many of them in rural and remote communities. Just recently there's been a \$10 million addition to that for drought relief in areas of drought. And what have people done? In Coonamble in NSW, they applied for funding to send 55 Year 9 students on an Outward Bound excursion. St Luke's received funding to run counselling workshops in Bendigo on mental health issues. So there are two examples of things that can be done.

So there's another way in which the government has engaged with communities in saying, "We want to support you. We can't do it, but we can do it in partnership with you."

The third point is the important role community organisations can play, and the important role of community consultation in drafting better government policy. Now, I'm in a very unique position. I've resigned as a Minister but I'm still a Senator until June 2008. And I can be very active (and I have been on some issues, as some of you know, but we won't talk about those today). Disability advocacy has been one of my great passions, from my first job when I worked with the National Association of Disabled Office Workers when it first started in Sydney.

My boss had a disability and she set me on a path that most probably influenced me.

Guiding also had an enormously strong influence because we had a program of incorporating young people with disability into Guiding. I remember in my first camp in senior Guides, I had responsibility for a young person with profound cerebral palsy. Her mother arrived and fussed over her incessantly – she was going to get wet, she was going to get burnt by the fire; you know, the world was going to come to an end when the mother left. When she left, I won't say what the young girl said but it was something that wasn't very polite about her mother. And I thought, "Gosh, she's just like me! Her mother is driving her mad!" And it gave me an understanding that despite her disability she was just like me. I was only 16 at the time – what a great lesson that community organisation gave me. How would anybody know that that would inspire me and instil in me a love to pursue issues in disability rights throughout my political life?

I have been an advocate and I've had tremendous support from advocacy groups. But I can also talk to you about what it's like being on the other side. And I've got my axe to grind, but let me just say to you that sometimes people come to you and they don't have an understanding of your position, an understanding that you've got to go into Cabinet and fight for your life – and that happens whether you're a Labor or Liberal Minister, state or federal. You have to compete with all the demands that are being made – you know, the Health Minister's asking for this, the Community Minister's asking for this, the Education Minister wants this. You've got to fight for it.

If somebody comes in and says to you, "Look I understand this is not easy," you feel like you're going to fall over. It's like a breath of fresh air when somebody says, "In the best possible world this is what we'd like, but we could start with this."

I had a couple of groups in disability, one in Western Australia, who wanted to work with me, and not get at me – there's a real difference. Politicians are people too and sometimes you forget that. I'm in a unique position because I'm going, so I can say this because I'm not

telling you, “Go easy on me”. I’m trying to tell you what it’s like, after 20 years of experience, for you as advocates. Understand that we’re busy. If somebody comes in and says, “I realise how busy you are,” I can’t tell you what that means; or, “I understand that you can’t get everything in the first go. Could you just do this and we’ll pick it up bit by bit together?”

I had a group in Melbourne and a group in Western Australia, who were fantastic advocates, because they gave me clear examples. I’ll give you an example of one. It was a carer’s meeting and they asked me to talk to one of the mothers who had a son with a disability. She said, “I’m 83 and I’ve got a house I paid £15,000 for in the 1950s. I only have one child and he has a profound intellectual disability. I have the aged pension and he has a disability pension, and I want to provide for him. I want to sell the house and move into a retirement village and pay \$250,000 and have a \$50,000 buffer.” (Some people might think, “a \$50,000 buffer?” The average savings of a couple on a full aged pension, other than their home but including their car, is \$37,000, so \$50,000 is quite a reasonable buffer.) She told me: “I would have put \$300,000 for some program for him to have a house, but I’ll lose my pension through the gifting laws and he’ll lose his pension through the assets test.”

That was so profound for me. What could I do? I could go straight to the Prime Minister and say, “This is unfair.” He said, “It’s terrible – fix it.” So there is a clear example, something that nobody in the department had told me, that I’d never heard from anybody else. And it was fixable. And now we’ve got the ability for people to set up a trust that doesn’t affect the beneficiary’s pension and people can gift up to \$500,000 without losing their pension, so a family’s grandma downsizing her house can put money into a trust, and there’s money there.

Some people said to me, “But when you try and discuss about leaving money to your disabled son or daughter, you sometimes have the family upset because you’re going to leave more to the person with a disability.” So we’ve got money there for counselling and mediation, all

because people lobbied in the sensible way for something we could achieve.

And you know what? I actually had some thank-you notes after that from families and that's something you rarely get as a politician. Remember, politicians are people. Sometimes when an organisation has received some money they ring you up and they say, "I really wanted to say thank you. We started from scratch, we didn't have this. And now look what's happened." I tell you, you walk a mile high. Don't forget to thank a Minister or thank a person. Thank a local Member who's pushed and pushed and pushed for something for you. Politicians are people. I can't emphasise that any more. They like to be thanked. They liked to be recognised. They like to have clear stories they can use to present their case, win the battle against the other Ministers when they're wanting something for a tank or some other piece of something or other they want to build as a statement, or a road.

Recently, when I was just at the end of my time as Minister, I took my young godson to the Lion King. It was a dress rehearsal and they decided to have community organisations take children and families to the Lion King. I'd talked to him about the fact that some people would never have been to the theatre before. He hadn't thought about that. I said, "Some of these people would never have been able to afford tickets to come to the theatre, and so it's really exciting here." And it was exciting; it was like being at a pantomime. People were screaming; it was a great way to see the Lion King, the kids loved it. He needed to go to the loo at the first interval, so somebody from the Starlight Foundation took him out to the loo. When he came back from the loo he sat down and he said, "You know, people were helping kids in wheelchairs and other people were helping people get into the toilet, they were helping lift people." And do you know what else he said to me, at 10 years of age? He said: "You know what? You can have a community even in the theatre."

I thought, "Boy, if only more people could understand how you could have a community in the theatre." He understands the importance of what community meant. The government couldn't help people get to

the toilets, it was the community it needed. And I thought, “Out of the mouth of babes.” That’s the message.

I want to say thank you to you for all the work that you do. Everything you do can’t be done by government (but we can help).

Make sure that you remember that politicians are people because they are.

And let me also say that in two years, Rhonda, I hope I can come back because I’ve just joined the board of Interplast, which is a community-business partnership with AusAID and Rotary and business – I guess plastic surgeons are in business – so I’d like to come back as a participant to this meeting. So in two years, if you’ll have me back, remember that I was a parliamentarian as well as a politician.

Thank you.

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