The best of times, the worst of times: Community sector advocacy in the age of 'compacts'

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Abstract

The recent introduction of written 'compacts' between government and the community sector in Australia offers the promise of meaningful coproduction of policy. However, recent research has highlighted that many in the community sector continue to perceive that there are significant constraints on their capacity to engage in advocacy. This paper examines the impact of the current governance regimes on the Australian community sector and explores the dimensions of these perceived constraints. The paper argues that both government and community sectors must make concessions and adjustments. Governments must accept that the use of contracting monopolies to stifle advocacy has weakened their capacity to deliver responsive services, while community organisations must accept that new governance regimes require new modes of participation in the policy process.

Introduction

> It should be recognised that central control of public advocacy would have the effect of depriving government of quality independent input. If effective delivery of quality service is the primary goal, government policy suffers in quality, relevance and effectiveness where it is no longer able to draw upon independent input, and indeed criticism (Einfeld 2001, 4).

Despite the warning implicit in Einfeld's statement, one of the most common themes that emerges in any current discussions with workers in Australian community sector organisations, that is charities, non-profits, voluntary organisations and community-based organisations involved in the delivery of social goods and service, is that they feel increasingly constrained in their capacity to undertake advocacy work. Advocacy-related activities by community organisations are seen as subject to narrow dictates imposed by current approaches to the management and governance of public services (Maddison, Denniss and Hamilton 2004, Melville 2001, Carvalho 1998, Lyons 1997), and recent moves by the federal government to change charity legislation and to defund some peak organisations representing the disadvantaged, has only served to reinforce the sense of constraint (Tomar 2004).

Allegations of government attempts to control dissent by community organisations are not new, and indeed have been a complaint of community sector organisations since the rapid expansion of their activities in the 1970s. A recent report by the Australia Institute, titled *Silencing Dissent* (Maddison, Denniss and Hamilton 2004) focuses on the perils faced not only by community sector organisations but all NGOs if they dare to 'bite the hand that feeds', which is the very same theme used by Roelofs (1987) almost 20 years previously. But it appears that in the new millennium the debate has taken on an even greater stridency. New contracting and governance provisions have channelled community sector input through consultative processes and funding streams which appear to exclude dissenters, and there have been sustained attacks on the integrity of community organisations by conservative think tanks and commentators. McGuinness, for example, decries the 'propaganda activities of [community organisations] devoted to the destruction of capitalism' (McGuinness 2003a). Mowbray (2003) identifies a number of right-leaning think tanks and libertarian journalists who he claims are waging a war on community organisations.

But paradoxically, to paraphrase Charles Dickens, if it is the worst of times it is also the best of times. While many in the community sector claim exclusion, those who would wage the war identified by Mowbray (2003) do so because they assert that community organisations are in fact too powerful and have been capturing policy agendas. In more mainstream discourses on policy development and service delivery, the focus has shifted to approaches such as partnerships, coproduction, participatory governance and social governance, all of which give the community sector a central role in policy making. Edwards (2004) calls for the greater use of coproduction and the joint provision of essential services and public goods, with the state and community organisations working together to create synergy in local resource management and to increase community ownership over policy outcomes. In a related debate, authors in Britain and Australia have written obituaries for old-style New Public Management (NPM) that maintain that the focus on outcomes and the purchase-provider model that were the basis of NPM, and the primary cause of tensions between government and the community sector, have given way to citizen-centred governance seeking to deliver public value (Mulgan 2003, Reddel and Woolcock 2004, Smith 2004).

In the last few years, Australian state governments have been developing written protocols to regulate government-community relations, including those related to the participation of community organisations in policy development, with the aim of stimulating a significant cultural shift towards stronger mutually collaborative relationships. These protocols, which have variously been termed *compacts*, *agreements* or *partnerships*, follow the lead of

the UK compact processes which first emerged in the mid-1990s to establish formal channels of community sector engagement with the public sector and codes of practice for community organisations active at the national, regional, and local level. The Australian federal government has yet to fully commit to a corresponding national process, nevertheless it is likely that the state compacts will play a significant part in shaping the future evolution of policy input by the community sector.

The aim of this paper is to make some preliminary observations on how these new compacts will impact on the operation of advocacy by organisations that provide community services. It builds on earlier work by the authors Casey and Dalton (2004) and by Earles (1999), Melville and Perkins (2003), Melville (2001, 1999), Sawer (2002) and Lyons (2001a, 2001b, 1997) on the advocacy dimension of the work of the Australian community sector and the impact of new models of government funding. In the paper we explore how the compact framework may create opportunities and challenges for community organisations that seek to engage in advocacy. This involves focusing more closely on the nature of, and government response to, advocacy under the current funding regimes. The paper seeks to identify what, if any, constraints exist and evaluate debates about their legitimacy.

The Australian community services sector

The choice of the terms *community services organisation* (shortened to *community organisation*) and *community service sector* (*community sector)* to define the organisations addressed in this article follows the accepted Australian vernacular as the label for non-government, non-profit organisations working to deliver a range of so-called separate services or to represent the interests of a specified constituency in regard to such services. As an emerging industry with a diverse range of services, community organisations can overlap with health, education, employment services, recreation and housing industries. However, community service organisations are not so directly and uniquely engaged in these activities as to be classified as health or education service providers (Lyons and Hocking 2001). Community services are predominantly made up of small organisations delivering services locally although some of the bigger more well-known community organisations in Australia include the Salvation Army, Mission Australia and the Smith Family. International aid and development agencies are also types of community organisations.

The community services sector is a subset of the broader non-profit sector which is made up of organisations that are separate from government, do not distribute profits and seek to provide a range of public goods and services to,

or on behalf of, members and/or groups of interests. These criteria are met by thousands of organisations that include hospitals, charities, business associations and small self-help organisations, as well as unions or churches and numerous commentators have noted how this diversity has probably impeded acceptance of common nomenclature (Lyons 2001a; Salamon 1994, 1997).

The last four decades has witnessed a significant expansion of the community services sector in Australia. Several explanations for this growth have been offered. Some commentators have focused on how the contraction of the welfare state and demands for greater flexibility and efficiency in service delivery has simulated the expansion of the community sector through outsourcing of government functions (Quiggin 1999, Casey 1998). According to Lyons and Hocking (2001), however, the growth of the community services sector in Australia in the 1970s and early 1980s was not so much the result of the spread of outsourcing. Rather, the community services industry was a beneficiary of the effective advocacy of a key group of nonprofit organisations, their clients and other activists. They write, "It was advocacy work by a few provider organisations and, later, feminists and other community activists, along with organisations of disadvantaged people themselves, 'consumers' in today's terminology, that prompted the Commonwealth government to begin funding accommodation and then services for older people, people with disabilities, children, the homeless and so on to create the complex fabric of community services we have today." (2001: 37) Through its efforts the community services sector received a significant increase in Commonwealth funding from the mid 1960s.

Advocacy Defined

The capacity for non-state actors to act collectively to realise social and political change has long been of interest to political scientists and sociologists. Initially focused on lobby and interest groups (Dahl 1961; Polsby 1963; Kimber and Richardson 1974), more recently the focus has shifted to the study of the nature and role of social capital and civil society, in which community organisations play a key part (Putnam 1993; Edwards 2004). There is a 'certain romanticism about civil society' (Goss 2001), but the discourses associated with these approaches do serve to underline that community organisations intervene in the policy process through direct and indirect dynamics. Brown et al. (2000) list a wide range of activities which include overt political mobilisation and resistance, as well as those that promote mutuality, civic virtue, trust and moral obligation.

The range and form of political participation is shaped by the interests of both community organisations and government institutions. On one hand, community organisations seek to intervene in policy processes through a range of collaborative and conflict strategies (Casey 2002), while on the other hand governments seek their intervention, albeit primarily through pre-determined institutional channels. In general, the state defines the rules of engagement and creates the institutional contexts that can foster, hinder, or suppress participation (Tarrow 1992).

This paper focuses on the direct, more politically-focused and active interventions of community organisations that have the explicit goal of influencing policy directions. While it is acknowledged that these activities are often also directed at private sector organisations, the focus is on the interventions aimed at influencing public sector processes, at local, regional, national and supranational levels. Also, any discussion of organised collective action must acknowledge that while it is the course of action chosen by the majority of people or organisations wishing to influence government, many others, primarily those from powerful elites, choose individual strategies such as political donations and 'backroom deals' that are outside the scope of this article.

These interventions go by a range of labels that include *advocacy*, *lobbying*, *activism* and *political participation*. This paper chooses to use advocacy, the term most widespread in the vernacular of Australian community organisations. Advocacy is 'an attempt to influence the decisions of any institutional elite on behalf of a collective interest' (Jenkins 1987, 297). Attempts to influence can evidently take many forms and can include developing public policy, supporting minority or local interests, overseeing government, or collaborating with other groups in the sector. Lyons (2001a) notes that community organisations can advocate in their own material self-interest or for what they interpret to be the public good. At the same time, while a community organisation may claim that the set of ideas for which it advocates will, if embodied in policy, advance the public good, other organisations that do not believe in those ideas, will accuse it of only seeking to advance some hidden interest. Community organisation advocacy can be conceptualised as criticism of a recalcitrant government or as the independent output that any government needs as 'intelligence' that will help ensure the responsiveness of services (Einfeld 2001).

In the end, however, whether a particular activity is deemed to be advocacy can be as much a result of which label sits comfortably with the community organisations and governments involved as with any academic definition. In a recent report on Australian advocacy organisations, it was found that there

was no consensus over the meaning of advocacy among interviewees partly due to mixed feelings about the political connotations of the term (Dalton and Lyons 2005).

Just as there is no easy delineation of advocacy activities, it is also difficult to delimit the organisations that work in advocacy. Many community organisations are likely to claim that they are 'non-political' and that their goals are to service their client target groups and not to influence government policies. The exact proportion of organisations that have advocacy as their main objective is difficult to establish, and figures vary widely between researchers (Knoke 1990, Van Deth 1997, Taylor 1999, Melville 2001). The differences in definitions and methodologies used in such studies make comparisons between such research difficult and any figures quoted should be regarded as indicative. At best, we can say that survey research finds that a substantial minority of community organisations has advocacy as a primary activity (Parry et al. 1992, Van Deth 1997).

While attempts to classify organisations according to the level of their advocacy work can be useful, we should not lose sight of the fact that the wider conceptualisations of what constitute political activities mean that, by default, most community organisations engage in some advocacy work. The simple articulation of a demand is equivalent to exerting pressure upon a part of the political system (Kimber and Richardson 1974), given that, as Knoke notes (1990, 220), 'social groups lobby and lobby groups socialise'. There is always a potential for political engagement and at any moment circumstances may impinge on the least apparently political organisation which will then mobilise itself in response. Almost any organisation will act as a pressure group if certain situations adverse to its interests present themselves (Baggot 1995). The campaign by licensed clubs in New South Wales against a proposed new taxation regime on poker machine revenue, clearly demonstrates how easily the latent advocacy potential of the community sector can be activated given the right conditions (*Sydney Morning Herald 2* October 2003).

Advocacy under current regimes

The existence of constraints on advocacy work by community organisations has been a familiar theme since the emergence of a strong community sector. The discourse on these constraints has been expressed in terms of lack of resources, deliberate exclusion from decision making domains of those likely to challenge the status quo, and, as noted in the introduction, the perennial dangers of 'biting the hand that feeds' (Roelofs 1987, Maddison, Denniss and Hamilton 2004). Also, given the early concerns about the legitimacy of advocacy by community organisations, governments in many countries have

used a variety of legislative and funding processes to restrict advocacy (Randon and 6 1994), although in Australia there has been little legislation in this area.

In the 1990s, a range of studies examined how *economic rationalism* or *managerialism* may affect the Australian community sector, in particular how it has ushered in new contracting regimes (Lyons 1997a, Nowland-Foreman 1998). A significant amount of analytical work on how contracting and project-based funding regimes have affected the ability of peak organisations in Australia to lobby and undertake advocacy work on behalf of their members has been conducted by Melville (1999, 2001). Other scholars have focussed on the implications changes to charity laws hold for advocacy (McGregor-Lowndes 2002, Industry Commission 1995). But now, as a result of the contemporary governance modes of service delivery, a new discourse has emerged which attributes to these new modes even greater restrictions on advocacy. Advocacy is seen as less possible (Maddison, Denniss and Hamilton 2004) coloured perhaps by a nostalgia for a previous 'golden age' of advocacy. Roelof's (1987, 2003) continuing radical analysis of the role of non-government organisations sees them as primarily serving to entrench the hegemony of dominant classes, by providing a safe, non-conflictive outlet for the 'cheeky and restless'.

At the same time, other authors claim that the possibilities for partnership offered by governance approaches are creating new opportunities for advocacy through the coproduction of services. The death knell for NPM has been rung and the competitiveness and tensions caused by contracting regimes is being replaced by new collaborative partnerships (Reddel and Woolcock 2004). Some point to the evolution of political systems in advanced democracies towards incorporating new forms of citizen participation that are perhaps yet to be fully exploited by community organisations (Smith 2004). The problem may not be that of government proscribing advocacy, but that community organisations have not been able to adapt to the new forms of articulating and communicating community interests (Melville and Perkins 2003).

The arguments that claim greater restriction on advocacy or conversely new opportunities are detailed in the following sections.

Restrictions

Surveys have documented the restriction on community organisations and the repercussions they fear may be incurred by speaking out (Melville 2001; Maddison, Denniss and Hamilton 2004). The new constraints have been

attributed to a number of related dynamics and can be put into two categories – those dynamics that have affected organisations' capacity to *resource* advocacy; and those dynamics that have affected organisations' *willingness* to engage in advocacy.

Some of the dynamics affecting the capacity to *resource* advocacy include:
- *Lack of untied funds.* The move to project-based funding links increasing percentages of available funding to specific activities, which generally exclude advocacy. Advocacy can only be funded from the shrinking pool of uncommitted funds, private membership or fundraising. The new models of government funding therefore affect advocacy through the reduction in the sector's capacity to resource advocacy activities (Sawer 2002).
- *Funding shift to business model.* The new funding regimes have rendered the work of the community sector more complex. This has led to a shift of resources from supporting advocacy to supporting the core management functions. Whereas in the past, the typical profile of a community sector program coordinator was that of an activist, the typical profile now is more that of a business manager. The role of powerful external agents, notably the state, in the process by which community organisations begin to adopt structures and behaviours commonly found in the government and private sectors has been the focus of recent research on *isomorphism* (the tendency among organisations towards sameness) (Lieter 2005).

Some of the dynamics purported to affect organisations' *willingness*s to advocate include:
- *Competition, fragmentation and lack of cooperation.* An increase in the number of community organisations and an increase in competitive tendering, which engenders competition and secrecy between them, is seen as fragmenting the sector and constraining joint advocacy activities (Considine 2003).
- *Government control of advocacy through contracts.* The increased use of contracting and competitive tendering, which effectively decouples the policy and service provision roles, constrains the possibility of independent action by contractors. In some contracts, specific provisions restrict or prohibit advocacy-related activities (e.g. the obligation to inform funders before issuing media releases or application of intellectual property law in contracts to require organisations to keep information they acquire in course of government subsidised work confidential). This translates into a loss of voice for community organisations (McGregor-Lowndes and Turnour 2003).

- *Lack of a sense of efficacy in new policy making environment.* The changing nature of the policy role in government has resulted in an increasing concentration of expertise in the public service but in many departments, ministers' offices, which leads to even greater internalisation of policy processes and a greater tendency of policy to be developed as the result of direct negotiations between professionals.[1] Government agencies are seen as more sophisticated in their management of consultation processes and continue to be accused of using them to capture/stifle independent advocacy, including that from community sector organisations.
- *A new culture of government-community sector relations.* A new culture is emerging which appears to give license to a more open silencing of dissent. This appears to reflect changes in the internal dynamics of the public sector organisations, which have lead to recent accusations of a 'compliance culture' that suppresses dissent (Dobell 2003).

But are such perceptions based on reality? To date, research findings have been inconclusive. Dalton and Lyons (2005) found that reliance on government funding among advocacy organisations had not affected their commitment to advocacy. Instead, the study found that organisations that rely substantially on government funds continue to devote significant resources to advocacy work and the CEOs of these organisations expressed a desire to do more advocacy work if possible. This finding suggests that there may always be a gap between organisational commitment to advocacy and the resources available to support such commitment. Other recent work in the US suggests that government funding has either no affect, or even a slightly positive effect on advocacy, as any suppression impact is outweighed by the government's dependence on the community organisations it funds and the self-interest of funded organisations to promote policy changes aimed at improving the lives of clients, which generally augment the organization's resources (Chaves et al. 2004).

But the research and reactions of the sector to recent events do suggest that the perception that current federal and state governments wish to suppress advocacy is relatively widespread. Indeed, it could be argued that the recent foray of state governments into drawing up compacts constitutes an

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[1] The relative influence of ministerial advisers is uneven across the public service and depends, for example, on the policy domain, the minister and government department involved. Nevertheless, there exists a perception of growing influence of advisers in general, suggesting that "[t]he ministerial adviser has been one of the most prominent additions to executive branches over the last two decades'" (Halligan and Power 1992: 81) On the influence of advisers also see Holland (2002), Tiernan (2001), Weller (2001) and Walter (2001).

acknowledgement on behalf of the states that it is time to move state-community sector relations to a new footing by (re)establishing a stronger sense of cooperation and trust.

New opportunities

The opposing view is that that the new level of engagement between government and community organisations provides new possibilities for influencing the policy process and previous forms of advocacy are being replaced by more effective participation processes. Some literature, for example, emphasises the symbiotic character of community sector-government relations. Saidel (1991) notes that community organisations' dependence on government funds can be balanced by government agencies' dependence on these organisations to deliver needed services. Most authors have noted, however, that this balance is more likely to occur when the number of organisations providing a given needed service is significantly limited. In a study that quantified the extent of perceived resource dependence between community organisations and the state of New York, Saidel (1991, 546) found that 'public-sector agencies and nonprofit sector organisations reported virtually identical [levels of] resource dependence on each other'.

The emergence of new collaborative partnerships between government and community organisations suggests that there has been a move from mere consultation to effective coproduction of policy and services which better incorporates the views of the community sector. The community sector is seen to be gaining a new voice in decision making through the re-alignment of government and non-government governance structures. Contemporary approaches such as participatory governance (Reddel and Woolcock 2004) and social governance (Stanley 2004) are predicated on significant non-government participation in policy making.

Mulgan (2003) indicates that coproduction is not only about service delivery but also about the building of evidence that informs policy reform. Citizens and community organisations become more intimately engaged in public services and so become fundamental to shaping new agendas. While NPM and governance paradigms had already incorporated concepts such as stakeholders and customer satisfaction, Mulgan uses a public value approach to further accentuate what he sees as the crucial and multi-faceted role of public participation in determining policy directions. Mulgan writes from a UK perspective and much of his discourse is predicated on the existence of the formal compacts, which were established in the late 1990s (Home Office 1998).

In the Australian context, Bishop and Davis (2002) in mapping policy participation note that there is no single methodology for policy participation, but that it is shaped by the problem at hand. They identify a series of discontinuous techniques and identify five types of participation: consultation, partnership, standing, consumer choice and control. Each of these types has specific participation instruments which potentially provide community organisations opportunities for advocacy. As a result of the expansion of the sector more opportunities for consultation and collaboration exist, so, as a consequence, the power distribution in policy making should shift.

The emerging structures and processes of government and governance offer a range of new possibilities that are yet to be fully exploited by community organisations. For example, the increase in ministerial policy staff evident across Australian governments – which was identified earlier as a reason for exclusion of community organisations – creates a new climate of contestability in policy advice and if community organisations can offer policy alternatives they can often get a sympathetic hearing. Even the direct democracy and e-democracy processes can be sources of new opportunities for community organisations, despite their emphasis on by-passing community organisations to reach individual citizens (see OECD 2003, Goss 2001). The reality is that these processes usually end up being dominated by representatives of organised collective action. A quick analysis of the register of 'citizens' participating in policy summits, citizen's juries, and even online discussion groups quickly reveals the organisational affiliations of participants.

Government-community sector 'compacts'

The emergence of compacts as written rules of engagement between governments and community organisations are a particular example of the purportedly new relationships being forged under the new governance regimes. They first emerged in the mid 1990s in the UK, where they have now been implemented on both national and local levels, and in the late 1990s similar written agreements were developed in Canada as *accords* (Plowden 2003, Lyons 2001b). UK compacts declare that one of their fundamental aims is:

> To recognise and support the independence of the voluntary and community sector, including its right within the law, to campaign, to comment on Government policy, and to challenge that policy, irrespective of any funding relationship that might exist. (Home Office 1998.)

The Canadian accord uses similar language to describe the principle of independence:

> The independence of voluntary sector organisations includes their right within the law to challenge public policies, programs and legislation and to advocate for change; and advocacy is inherent to debate and change in a democratic society and, subject to the above principles, it should not affect any funding relationship that might exist. (Voluntary Sector Task Force 2001)

In Australia, the first initiatives to create written documents began around 2000, and new documents are still being created. So far there are compact-style documents only at state level and often then only in relation to human services. The documents use language similar to the UK and Canada compacts and accords to frame the discourse about the policy participation of the community sector (although the preferred labels for the documents appear to be *agreements* or *partnerships*). The draft NSW *Working Together - Agreement between the NSW Government and NSW Non Government Human Services Organisations* states that:

> Non-government organisations are independent bodies that are free to pursue their goals, which may involve advocating for changes in Government policies and priorities. In this sense, there is a healthy tension inherent in the relationship between Government and the nongovernment sector (NCOSS 2004).

The Australian Capital Territory *Social Compact: A Partnership between the Community Sector and the ACT Government* states that:

> [T]ensions are a part of the policy process. A mature relationship between community sector organisations and government can tolerate conflict and be sustained despite disagreements over some aspects of policy (Chief Minister's Department 2004).

The current status of the Australian state-level compacts is outlined in Table 1.

(Table 1 about here)

In 2001, Lyons (2001b) indicated that the right conditions did not exist in Australia for the development of compacts and in many ways the fact that the emergence of written partnerships has been so sector- and state- focused supports his assertions. But at the same time the new written partnerships do, in effect, transfer the UK and Canada compact paradigms to Australia. However, this transfer process reflects the Australian political reality: state

governments have more direct responsibilities for service delivery and so are more closely engaged with the community sector; Australia does not have the same centralised, national non-government coordinating structures as those in other countries so compact development has reflected the 'federalisation' of our community sector; state governments are Labor, and so more likely to adopt models from the current UK and Canadian governments of the same political affinity.

This may be a more piecemeal 'back door' development of compacts than the experiences of other countries, but the cumulative effect will have the same potential impact as the more unitary national approaches of the UK and Canada. Moreover, while the focus of compact development has been at the state level, the federal government continues to struggle with these issues (Tomar 2004). Despite some inconsistencies in the federal government's approach to the sector there have been various initiatives in the area of Commonwealth-community sector relations. In late 2002, the Howard Government provided seed funding to establish a new council for charities and other nonprofits, the Community Business Partnership Scheme. In 2003, new charity legislation was drafted in response the government's Inquiry into the Definition of Charities and Related Organisations, although the future of this charity bill is at present uncertain. Also, in July 2003, the Prime Minister's Community Business Partnership Scheme awarded a contract to the Melbourne-based Institute for Public Affairs to undertake research to develop a trial protocol for nongovernment organisations (IPA 2003). There are also various instances where the federal government has attempted to recognise the contribution of the sector (Costello 2003).

The key question is, of course, not whether the compacts will work in Australia but whether they work anywhere (and what does 'work' mean). The jury is still out. In the UK there have been a number of evaluations of compacts, which have focused on the processes of implementation and not the policy outcomes, given both the relative infancy of the new agreements and the difficulty in assessing the causes of policy outcomes (Osborne and McLauglin's 2002). The evaluations are generally positive, pointing to early indications of some good relationship building and synergies for innovative policies and programs. But the evaluations also show that successes are localised, based on specific confluences of factors that promote positive outcomes, and that despite the success there is also widespread frustration and concern about the operation of the compacts. The evaluations make a range of recommendations including, for example the need to: improve local ownership; recognise of the importance of process not just outcomes; improve various capacity building elements; and, embrace a wider range of

community organisations (Osborne and McLauglin's 2002, Joseph Rowntree Foundation 2001). However, it is important to note that all the evaluations focus on current participants in the compact processes, i.e. those 'insider' organisations who have bought in, or have been brought into, the centre circle of stakeholders sitting at the table. There appears to have been no evaluations that involve those outside this core group.

Conclusions

The last three decades have witnessed a significant evolution of the community sector. Community organisations have moved from the periphery into a central role in discourses of service delivery and policy development.

While new approaches to governance that have evolved in parallel to the extension of the community sector offer the promise of meaningful coproduction of public policy, surveys of workers in community organisations highlight their frustration at what they perceived to be their increased marginalisation from policy making domains. Contracting and project-based funding have decoupled the policy and service roles and instead of providing community organisations with greater participation in both, may have led to a concentration of power over policy and services in government hands. While some argue that, because of the emerging governance regimes, community organisations have never been so central to policy making, others argue that they have never been so excluded. Some lament that community organisations have no power, while others warn that they have too much and have hijacked public agendas.

These opposing views may not be mutually exclusive. It is possible that they simply reflect the differences between jurisdictions, areas of interest and the organisations involved. There are administrations with reputations for being more or less open to dialogue and community organisations with more collaborative or more combative styles. Some community sector organisations are also themselves open to criticisms of not truly reflecting the views of a community they claim to represent or to not practicing good internal governance and so are marginalised by other community organisations and government.

Current policy making and service regimes may in fact produce divergent impacts. Coproduction may reflect the experience of a small subset of 'winners' in the competitive tendering stakes. The partnerships between government and community organisations that are being codified through written agreements may be the precursor of a new neo-corporatism that favours a selected few of what governments as contractors consider to be the

more successful and reliable community organisations. This may become a form of 'social democratic corporatism' (Garrett 1998) that seeks to stabilise links between state and civil society and serves to build the political consensus and stability needed for longer-term decision making. Such neo-corporatism appears to affirm the insider-outsider dichotomy (Grant 1995), but the question remains whether the respectable, reliable, and responsible insiders – usually defined as such by the governments that contract to them and sign partnership agreements with them – simply end up captive to the interests of the state.

The durability of the opposing discourses also symbolises the continuing ideological cleavages. Einfeld's (2001) defence of advocacy and McGuinness's (2003a, 2003b) denouncements are the contemporary Australian reflection of the constitutional debates in the United States nearly two centuries ago between those who warned against mob rule and others that extolled the virtues of popular democracy, and it is unlikely that any amount of evidence will convince either camp of the opposing view.

The concerns about exclusion expressed by many in the community sector appear to confirm the worst forecasts issued about the impact on advocacy of contracting and market bureaucracies. However, the other reality is that some of the distress may be a sign that many community organisations are finding it difficult to define their advocacy role in the changing political contexts. Melville and Perkins (2003) indicate that while many peak organisations they studied appear to be successfully adjusting to new realities, others are 'unrealistic', 'recalcitrant' or simply frustrated that the same old lobbying tactics don't work in a new policy environment. This reflection on peak organisations could well be extended to the community sector in general. While peaks are given primary responsibility for advocacy other organisations continue to, or aspire to, dedicate considerable time to advocacy-related activities but appear to be increasingly concerned that the market relationships of the past few years have made it less 'safe' for them to do so. Yet, it is not always clear what evidence that concern is based on.

The balance between inclusion and exclusion, as well as between independence and control, requires concessions and adjustments. Governments must accept that the use of contracting monopolies to stifle advocacy and dissent will only serve to weaken their capacity to deliver and sponsor services that respond to community needs, while community organisations must accept that new governance regimes require new advocacy strategies.

The new compacts currently being implemented at state level and being considered at federal level are likely to be a major determinant of the how the sometimes tense balance of policy issues will evolve. There is significant work that needs to be done to monitor the evolution of advocacy in the age of compacts. Extensive content analysis may show that the aspirations of the new compacts are little different to those of earlier iterations of consultative and contracting relationships between government and the community sector. Certainly, it is yet to be demonstrated that compacts will overcome the previous contradictions of the worst excesses of NPM. As Osborne and McLauglin (2002) note, we are yet to find out if the compacts are the promised land or a mirage.

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Table 1: **Status of Australian Compacts, March 2005**

State/ Territory	Form the compact takes.	Date of implementation	Government Agency
Victoria	*Partnership In Practice- Partnership Agreement between Dept of Human Services and the Health, Housing and Community Sector*	2002	Dept of Human Services
NSW	*Working Together – An Agreement between the NSW Govt and the NSW Non-Govt Human Service Organisations.*	Draft currently awaiting final sign-off by Premier	Whole of Govt.
Queensland	*A draft Community Services Industry Plan Statement of Partnership* was not implemented. Welfare sector partnership currently being negotiated	Development has been stalled	Department of Communities
Northern Territory	Partnership Agreement currently under development.	Currently under development	
WA	Phase 1 of a NGO Industry Plan, which contains a proposed *Framework for Partnership to guide Government and Non-Government relations*	Phase 1 completed June 2004. Final version currently under development	Whole of Govt
SA	*Partnership between the State Government of South Australia and the Volunteer Sector*	2002	Whole of Govt.
ACT	*The Social Compact – A Partnership Agreement between the Community Sector and the ACT Government.*	2004	Whole of Govt.
Tasmania	Proposed development of an industry wide plan and/or agreement with the Tasmanian Government.	Currently proposed	Whole of Govt

Source: The authors