

# National Compact

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## **Message from the Prime Minister**

The National Compact promotes a better way of working between the Government and the not-for-profit sector. It recognises that there is a role for everyone to play in strengthening our nation and offers us the chance to forge meaningful and collaborative relationships based on greater trust, insight and unity.

We must harness the talent of all our people and move forward together to address challenges facing Australian communities.

There are over 600,000 not-for-profit organisations serving our community. I strongly encourage organisations who have not yet signed up to the National Compact to get behind this joint initiative to help give life to the National Compact's principles and help it reach its enormous and valuable potential.

Together we can achieve great things for our nation's future.

The Hon Julia Gillard MP

## **Message from the Minister for Social Inclusion**

The National Compact: working together is a framework for building a better relationship between the Australian Government and the not-for-profit sector.

The Government recognises the invaluable role that not-for-profit organisations play in enriching Australian communities and is committed to building better relationships based on collaboration and respect. This partnership will ensure that we work together to sustain a strong, productive and innovative sector which is essential in supporting our society, particularly the most vulnerable and disadvantaged.

I believe in the value and potential of the National Compact to provide a foundation for action to improve working relationships, strengthen sector viability, and develop and deliver better policy and programs. I am delighted to offer my support.

The Hon Mark Butler MP

## **Forward**

The Australian Government (the Government) believes a strong, vibrant, independent and innovative not-for-profit sector is essential to underpin a productive and inclusive

Australia. Our social inclusion agenda also has at its core a commitment to create communities where all Australians can participate, learn, engage and have a voice. The National Compact: working together outlines how the Government and not-for-profit organisations will work together in new ways based on partnership and respect. It is the culmination of extensive consultation between the Government and the not-for-profit sector.

The National Compact: working together recognises the vital contribution of the not-for-profit sector to Australian communities, especially in supporting the most vulnerable in our society. It is through not-for-profit organisations that governments and communities are able to work together to support and strengthen our democracy.

Not-for-profit organisations contribute to good public policy, enrich our culture, protect our environment and promote health and wellbeing as well as advocate on behalf of Australian communities including marginalised groups.

The National Compact: working together reflects the commitment of all parties to find innovative and better ways of working together. This collaborative relationship will allow us to work on the challenges we face, build a stronger not-for-profit sector in Australia and through this, drive innovation, wellbeing and sustainability in our communities.

## **National Compact**

### **Context**

The National Compact has been developed by the Australian Government in consultation with Australia's not-for-profit sector – the broad range of not-for-profit organisations that exist to provide services, advance causes, share enthusiasm, preserve traditions or worship together. The National Compact is an agreement setting out how the Government and the not-for-profit sector want to work together to achieve their shared vision.

The National Compact is a starting point for a stronger, more productive relationship. As the relationship matures over time, the not-for-profit sector and the Government may need to refine this document to reflect their new ways of working together.

### **Shared vision**

The Australian Government and the not-for-profit sector will work together to improve social, cultural, civic, economic and environmental outcomes, building on the strengths of individuals and communities.

This collaboration will contribute to improved community wellbeing and a more inclusive Australian society with better quality of life for all.

## **Shared Principles**

The Australian Government and the not-for-profit sector will work together according to these principles to achieve their shared vision:

- We believe a strong, independent not-for-profit sector is vital for a fair, inclusive society. We acknowledge and value the immense contribution the not-for-profit sector and its volunteers make to Australian life.
- We aspire to a relationship between the Government and the not-for-profit sector based on mutual respect and trust.
- We agree that authentic consultation, constructive advocacy and genuine collaboration between the not-for-profit sector and the Government will lead to better policies, programs and services for our communities.
- We believe the great diversity within Australia's not-for-profit sector is a significant strength, enabling it to understand and respond to the needs and aspirations of the nation's varied communities, in collaboration with those communities.
- We commit to enduring engagement with marginalised and disadvantaged Australians, in particular, Aboriginal and Torres Strait Islander people and their communities.

## **Purpose and status**

The National Compact represents a commitment by the Australian Government and the not-for-profit sector to genuinely collaborate to achieve this shared vision. The National Compact's shared principles provide a foundation for action to improve working relationships, strengthen not-for-profit sector viability and develop and deliver better policy and programs. National Compact signatories from the not-for-profit sector agree to work with all Australian Government agencies to achieve these goals.

## **Shared Aspirations**

### **Aspirations for our relationship**

We all will:

- understand and value the not-for-profit sector's contribution;
- work together respectfully, based on mutual understanding;
- communicate openly with each other;
- support networks and mechanisms that strengthen our ability to work together; and
- develop new skills to work more effectively together.

## **Aspirations for engagement and consultation**

We all will:

- develop and implement codes of engagement together;
- find ways for people who are vulnerable and excluded to have a direct, strong voice in policy and planning processes;
- protect the freedom of not-for-profit organisations to contribute to public debate without impacting on their funding or status; and
- work in real partnership with Aboriginal and Torres Strait Islander and multicultural community organisations.

## **Aspirations for achieving better results**

We all will:

- improve our focus on achieving outcomes for individuals and communities;
- better coordinate policy, programs and services to improve these outcomes;
- share relevant information and data to help us all plan and evaluate our efforts;
- improve funding and procurement arrangements;
- reduce red tape and streamline reporting;
- implement consistent, simple financial arrangements across government;
- continue to improve management and efficiency of service and program delivery; and
- achieve more transparent, accountable decision making and program delivery.

## **Priorities for Action**

### **Aspirations for a more sustainable not-for-profit sector**

We all will:

- foster research and innovation;
- work together to strengthen the capacity of the not-for-profit sector;
- collaborate on workforce strategies to improve attraction, retention, development and recognition of paid workers and volunteers in the not-for-profit sector; and
- investigate and support opportunities for diverse funding sources and partnerships.

Implementing the National Compact principles will require coordinated engagement across Government and collaboration with the not-for-profit sector to implement the eight priorities outlined below:

1. Document and promote the value and contribution of the not-for-profit sector.

2. Protect the not-for-profit sector's right to advocacy irrespective of any funding relationship that might exist.
3. Recognise not-for-profit sector diversity in consultation processes and sector development initiatives.
4. Improve information sharing, including greater access to publicly-funded research and data.
5. Reduce red tape and streamline reporting.
6. Simplify and improve consistency of financial arrangements including across state and federal jurisdictions.
7. Act to improve paid and unpaid workforce issues.
8. Improve funding and procurement processes